Where the Money Goes

For fiscal year 2019, each dollar in Lottery ticket sales, including Powerball and Mega Millions, was approximately allocated as follows:

54.18% **Prize Winners.** More than half of Lottery sales are reserved for prize expenses. Prizes not claimed are returned to winners in the form of increased payouts on scratch-off tickets. Players have won more than $4.75 billion in prizes since the Lottery’s inception.

35% **State Treasury.** The Lottery statute mandates that at least 35 percent of all Lottery revenue be transferred to the state treasury. Effective July 1, 2004, the Louisiana constitution provides that Lottery proceeds be earmarked for the Minimum Foundation Program (MFP), which funds K-12 public education in Louisiana. In addition, the first $500,000 in annual Lottery proceeds is earmarked for the Louisiana Department of Health and Hospitals-Office of Behavioral Health to fund problem gambling programs. As of fiscal year 2019, the Lottery has transferred more than $3.7 billion to the state treasury. More than $184.3 million was transferred from sales in fiscal year 2019. The Louisiana Lottery ranks first among other U.S. jurisdictional lotteries in percentage of revenue transferred to its government.

5.5% **Retailer Compensation.** Roughly 2,900 businesses in Louisiana earn five percent commission on the sale of Lottery products as licensed retailers. In addition to revenue from commissions, retailers earn an incentive of up to 2 percent for cashing winning tickets of $600 or less. Retailers are also paid a selling bonus of up to 1 percent on the sale of winning tickets for Lotto jackpots; Easy 5 jackpots; Powerball and Mega Millions match-5 prizes (including Power Play and Megaplier winnings); and Powerball and Mega Millions jackpots (1 percent of Louisiana’s contribution to the jackpot’s cash value or a minimum bonus of $25,000). Retailer commissions, incentives and bonuses reached more than $29.1 million in fiscal year 2019, amounting to nearly $574.6 million since the Lottery’s inception.
Lottery Operations. The Lottery retains less than six percent of its revenue to fund statewide operations, including its headquarters, five regional sales offices where players claim winning tickets, technology and conducting drawings, advertising, promotions and staffing. This also includes vendor fees for printing scratch-offs, and maintaining the draw gaming system hardware and software. For the 21st consecutive year, the Louisiana Lottery received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the U.S. and Canada. The Louisiana Lottery was also the first in the country to receive industry verification that its quality assurances meet best practices. The Louisiana Lottery’s latest quarterly financial statement, balance sheet and comprehensive audited financial report for the last fiscal year, can be found on the Lottery’s website at louisianalottery.com.
Treasury Transfers

The Louisiana Lottery is required by its statute to transfer at least 35 percent of its revenue to the state treasury, which has resulted in a contribution of more than $3.7 billion since its inception. The Louisiana Lottery is one of only two lotteries with a legislatively mandated transfer percentage, and it ranks first nationwide in the percentage of revenue transferred to its government.

According to the State Gaming Revenue Sources and Uses Report published in May 2019, Lottery transfers represent 18.4 percent of total gaming industry proceeds transferred to the state, but the Lottery’s share of total state gaming spending is only 6 percent. The reason for this difference is the effective tax rate. The Lottery’s effective tax rate, which is the share of net revenue after prize expense transferred to the state, is 75 percent compared to an effective tax rate of 32 percent for video poker, the next highest taxed form of gaming.

Effective July 1, 2004, the Louisiana constitution provides that Lottery proceeds be dedicated to the Minimum Foundation Program, which funds K-12 public education in Louisiana. The dedication was a result of a 2003 constitutional amendment which passed 64 percent to 36 percent.

Average Yearly Transfer Since Inception: $133.2 million

*Not including an additional state transfer of $9 million to the Louisiana Mega-Project Development Fund per a 2014 legislative act.
** Not including an additional transfer of $20 million from unclaimed prize funds to the Lottery Proceeds Fund and another $5.9 million transfer to the Lottery Proceeds Fund per a 2015 legislative act.
Lottery Sales

When the Louisiana Legislature first considered a state lottery as a way to generate revenue without additional taxes, it based its decision on an estimated $129 million to $164 million in annual sales, which the Lottery has surpassed every year, even with the subsequent proliferation of other forms of gaming in the state. The Lottery is the only form of gaming in Louisiana which is “state-owned,” although it functions as a corporation. Sales since inception through fiscal year 2019 are over $10.4 billion. Total fiscal year 2019 sales were over $524 million with weekly per capita sales of $2.18.
Lottery Operations

The Louisiana Lottery Corporation was created by the 1990 Louisiana Legislature and approved by a statewide vote as a way to increase state revenue without increasing taxes. Due to the Lottery’s unique operations, the legislature recognized a corporate structure would suit it best.

Oversight
To ensure the highest level of accountability, the following entities have varying degrees of oversight over the corporation, including review of its budget and administrative rules and drawings: Governor of Louisiana, Joint Legislative Committee on the Budget, Senate Judiciary B Committee, House Committee on Administration of Criminal Justice and Office of the Legislative Auditor. The president of the Louisiana Lottery Corporation handles the daily activities involved with running the corporation under the supervision of the LLC’s nine-member, governing board of directors. Board members are appointed to staggered terms from each of Louisiana’s six congressional districts and three members are appointed at large with one of those at-large members being selected from a list of five candidates submitted by the Louisiana Oil Marketers and Convenience Store Association. Each member is appointed by the governor and confirmed by the Louisiana Senate before beginning a four-year term. The state treasurer serves as an ex-officio board member. The state Attorney General's office represents the corporation in legal matters.

In addition to a succession of annual “unqualified” opinions from the Office of the Legislative Auditor, the LLC has received recognition from the Government Finance Officers Association for excellence in financial reporting for the past 21 years and was the first Lottery in the country to receive industry verification of its quality assurance processes.

Staffing & Offices
The Lottery has 122 budgeted positions, including both full-time and part-time employees, in its downtown Baton Rouge headquarters, distribution center, as well as regional offices in New Orleans, Lafayette, Alexandria, Shreveport and Monroe. Regional staff process and pay winning tickets and support Lottery retailers, including training, monitoring product inventory and point-of-sale opportunities, assisting with in-store promotions, resolving problems, explaining new games and changes and ensuring compliance with Lottery rules. Operational management functions, including sales, accounting, auditing, marketing and public relations, human resources, security and information systems, are conducted from the Lottery’s corporate headquarters. The Lottery’s distribution center oversees inventory management and instant ticket order fulfillment.
Products
The Lottery offers two types of games: scratch-offs and draw-style. Scratch-offs or instant tickets require players to scratch off a latex surface on the ticket to find out immediately if they have won. The Lottery introduces approximately 70 scratch-off games each year with varying prices of $1, $2, $3, $5 and $10. Ticket art, game design and prize structures are developed by Lottery staff. Tickets are printed by the Lottery’s vendor, Scientific Games, under exacting quality control and security standards comparable to those in currency printing. As soon as all of the top prizes in a scratch-off game have been claimed, the Lottery immediately begins the process of pulling the game from sale. Games may also be closed when ticket inventory is near sell-out or at the discretion of the Lottery’s president.

To play draw-style games, players choose their own numbers or allow the Lottery’s computers to choose their numbers and then wait for a drawing to be held to see if they have won. From time to time, the Lottery may also conduct raffle-style games with a set number of sequentially numbered raffle tickets for sale. The terminals used for draw-style games in retailer locations are part of a closed communications network provided by Lottery vendor, INTRALOT. The INTRALOT gaming system cannot be accessed via the Internet or by the Lottery. This system is also separate from the Lottery drawing machine system. Current draw-style games include: Lotto, Easy 5, Pick 4, Pick 3, and two multistate games in which Louisiana participates, Powerball and Mega Millions.

Louisiana law requires ticket purchasers to be at least 21 years old.

Retailer Distribution
Lottery products are sold through a distribution network of approximately 2,900 Louisiana businesses who comply with an extensive licensing process that includes compliance with the Americans with Disabilities Act and Louisiana Workforce Commission requirements and background screenings. Licensed retailers must display a sign indicating their status. Retailers earn a 5 percent commission on the sale of tickets, as well as incentives for cashing winning tickets and bonuses on the sale of Lottery tickets winning certain prize levels. Retailers must also cash winning tickets valued up to $50 and are encouraged to cash winning tickets worth up to $600.

Prize Payment
Winning tickets of more than $600 must be claimed at a Lottery office. Powerball, Mega Millions and Lotto jackpots and prizes over $510,000 must be claimed at Lottery headquarters. Draw-style game winners have 180 days from the drawing to claim their prize and scratch-off winners have 90 days from the date of the announced game closure. For security purposes, players are strongly encouraged to sign the back of their tickets immediately after purchasing.
By law, the Louisiana Lottery must report winnings from each single ticket with a prize value of more than $600 to the Internal Revenue Service and the Louisiana Department of Revenue and Taxation. Income tax regulations require the Lottery to withhold 24 percent federal taxes from each prize of more than $5,000 and 5 percent state taxes from prizes of $5,000 or more. Unpaid child support owed by winners may also be withheld. Winners are required to provide current photo identification and their social security number when claiming a prize at a Lottery office.

Game instructions, winning combinations and odds can be found in retail brochures and the Lottery’s website. Winning numbers can be checked on the Lottery’s website, at retailers, on nightly broadcasts of participating television stations or by calling 225-297-2350.
Drawings

Drawings for Louisiana-based games are conducted at Lottery headquarters in downtown Baton Rouge. The drawing room is secured by alarms and motion detectors, and activity inside is videotaped. Each drawing is conducted using one of two secure automated drawing machines. The machines are completely separate from the system that generates tickets, so the number of winners and where the winning tickets were sold are not known until after the drawing has occurred.

To maximize security, access to the Lottery’s drawing room, the drawing machine itself and the drawing log-on screen are each reliant upon a dual-key or password system from both a Lottery drawing official and a legislative auditor.

Encased in locked cabinets, each automated drawing machine is essentially a tamper-proof, stand-alone computer equipped only to perform random number generation. The devices pass independently verified and internationally benchmarked batteries of tests for producing random results. Prior to each drawing, the machine to be utilized is also randomly selected.

The drawing system utilizes several encryption algorithms to ensure randomness and security of the data, which is tested continuously. Finally, the system selects the winning numbers based on the game matrix parameters from the tested and secure raw data, displays them on the animated display console and writes them to a log file. The official results are also printed and signed off on by both the Lottery drawing official and the legislative auditor overseeing the drawing.

After all drawings are conducted, the official winning numbers generated by the system are transmitted to Louisiana Public Broadcasting, WLPB, for satellite relay to all Official Lottery Draw Show TV Stations and are faxed to state news media. The Lottery also posts the winning numbers on its website following the drawings each night after winning data is verified. A list of current Official Lottery Draw Show stations can be found on the Lottery’s website: www.louisianalottery.com/where-to-watch.

The Louisiana Lottery discontinued live drawings for its draw-style games in 1998, ahead of an industry trend toward automated drawings. There were several factors that contributed to the decision to convert to the automated drawing process now being used. Producing live drawings is extremely cost-prohibitive. The Lottery does not pay television stations to carry the Lottery’s winning numbers broadcast. With up to six different drawings being conducted nightly, airing live drawings would require a significant increase in air time from participating television stations who could otherwise sell the time to advertisers.

The public is welcome to attend any drawing, but must reserve a seat by contacting the Lottery during regular business hours. Louisiana-based drawings are held every evening, except Christmas Day and Easter Sunday,
beginning at approximately 9:30 p.m., Central Standard Time, after it is confirmed that ticket sales have ceased and have been reconciled. Powerball, a multistate game, is conducted live at 9:59 p.m. CST on Wednesdays and Saturdays by the Multi-State Lottery Association (MUSL) in Tallahassee, Florida. Mega Millions, a multistate game, is conducted Tuesdays and Fridays at 10 p.m. CST in Atlanta, Georgia.
Game Closure Procedures

It is the Louisiana Lottery’s policy to immediately begin closing a scratch-off game when all of the top prizes have been claimed to ensure that players have a chance to win the top prize that is advertised on that scratch-off. In fiscal year 2019, 73 percent of game closures were the result of all top prizes being claimed. Games may also be closed when ticket inventory reaches near sell-out or at the discretion of the Lottery’s president. The average percent of tickets sold for games which closed fiscal year 2019 was 91 percent. Here is the Lottery’s process for closing a game when all top prizes have been claimed:

1. **Last Top Prize is Claimed**
   To ensure game integrity, the Lottery does not know where winning tickets are located. The first time it becomes aware of the depletion of top-prize winning tickets is when the last ticket is claimed at a regional office, headquarters or at a retailer (if the top prize is under $600). When the ticket is scanned for validation, the Lottery’s computer system checks the ticket against the number of total prizes and claimed prizes.

2. **Lottery Notification**
   If the top prize being claimed is the last top prize for that scratch-off game, the Lottery is notified that this has occurred through an automated report. The Lottery then begins communicating game closure details to retailers and players.

3. **Retailers Notified to Stop Sales**
   Retailers play the most important role in executing the Lottery’s game closure policy, since they have the most immediate access to games on sale to the public. For this reason, the Lottery uses a multifaceted strategy for notifying retailers to stop sales once all the top prizes in a game have been claimed.

   When the Lottery receives information that all top prizes in a game have been claimed, the Lottery initiates a “mandatory message” to retailers on their Lottery terminals within 24 hours. The message notifies retailers of the game’s closure and informs them to immediately pull the game from sale. The message also provides important dates for cashing winning tickets in the game. State law sets the last date of redemption at 90 days after the game’s official closing.

   Retailers must acknowledge this terminal message before being allowed to conduct any subsequent terminal transactions. If the last top prize is claimed at the end of business on Friday, then retailer notification may not be made until the next business day, which is no more than three days after the top prize is claimed. When retailers do not comply with removing a closed game from sale, a Lottery sales representative will remove the game from sale during his or her next regularly scheduled visit.
4. Player Notification
Updated hourly, the Lottery’s website lists prizes remaining for every prize category of every scratch-off game, as well as the end-of-redemption dates for closed games: www.louisianalottery.com/scratch-offs/last-day-to-claim.
Lotto

Lotto was the Louisiana Lottery’s first draw-style game. It began in January 1992 and now offers a cash jackpot that starts at $250,000 and continues growing until it is won. In the beginning, Lotto jackpots were paid out as an annuity over 20 years and jackpots consistently exceeded $2 million. On June 17, 1995, jackpot winners started receiving their prizes as a lump-sum cash payment. On Dec. 4, 1996, a second weekly drawing was added and the starting jackpot prize was reduced from $500,000 to $250,000. On April 19, 1998, the Lottery added the $3 prize level for matching three of six numbers and lowered the odds of other prize levels, including reducing the overall odds of winning any prize from 1 in 655 to 1 in 30.

The Game
For $1 per play, players pick six numbers, 1 through 40. Drawings are held on Wednesdays and Saturdays, except on Christmas Day. Winning numbers are broadcast on participating local television stations and tickets must be purchased by 9:30 p.m. the evening of a drawing. The odds of winning the jackpot are 1 in 3.8 million for matching all six numbers. The jackpot, match-5 prize and match-4 prize are pari-mutuel, meaning the prize pool for each prize level is split between all winning tickets for that drawing. As with all the Lottery’s draw-style games, Lotto prizes must be claimed within 180 days of the drawing in which they are won.

Lotto Facts & Stats
- 259 Lotto jackpot-winning tickets have been sold since Lotto’s inception.
- The Robert H. LeBas Family Partnership of Church Point held the only ticket to the Lottery’s largest Lotto jackpot of $21.2 million on Sept. 26, 1992. The largest multiwinner jackpot was $31 million on Jan. 9, 1993, and was split between Kimberly D. Hall of Bon Wier, Texas, and Roland and Marion LeBeouf Family Partnership of Houma, with each receiving $15.5 million. These jackpots were paid as annuities. The largest lump-sum winner was Timothy M. Smith of Marrero, who won $15.6 million on June 1, 1996.
- In fiscal year 2019, the average advertised Lotto jackpot hit was $534,375, and the jackpot was hit eight times by eight winning tickets.
- In fiscal year 2019, Lotto sales reached over $21.8 million.
- Retailers earn a bonus for selling a winning Lotto jackpot ticket equal to 1 percent of the jackpot.
Powerball

Powerball began in April 1992, and the Louisiana Lottery began participating in the multistate game on March 5, 1995. The game offers a minimum jackpot of $40 million, which keeps growing until it is won. The game can offer such high jackpots because the prize pool is based on sales from the following 47 lotteries, including: Louisiana, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, Vermont, U.S. Virgin Islands, Washington, West Virginia, Wisconsin and Wyoming.

Powerball underwent several changes in January 2012. The starting jackpot jumped from $20 million to $40 million, odds of winning improved, the cost per play increased from $1 to $2, the match-5 prize became $1 million, and the Power Play add-on option changed, giving players the chance to increase non-jackpot prizes to a set amount no longer dependent upon a multiplier. Then in January 2014, the Power Play add-on option reverted back to multiplier prizes for certain prize levels. In October 2015, Powerball changed to include more white-ball numbers and fewer Powerball numbers. The Power Play add-on feature also added a 10x multiplier for drawings with jackpots of $150 million or less, and the match-4 plus Powerball prize jumped from $10,000 to $50,000.

The largest-ever Powerball jackpot was won Jan. 13, 2016. The $1.586 billion prize was shared by three tickets in California, Florida and Tennessee. To date, this is the largest jackpot in history!

The Game

For $2 per play, players pick five numbers, 1 through 69, and one Powerball number, 1 through 26. Drawings are conducted in Tallahassee, Florida, and are broadcast live on participating local television stations at 9:59 p.m. Central Standard Time. Tickets must be purchased by 9 p.m. on the day of the drawing. The odds of winning any prize, ranging from $4 to the jackpot, are 1 in 25. The odds of winning the jackpot are 1 in 292 million for matching all six numbers. The advertised jackpot is expressed as a graduated annuity payable in 30 installments that increase each year, although winners have the option of taking a lump-sum cash payment equivalent to the jackpot prize pool. For an additional $1 per play, players can choose the Power Play option which gives them a chance to increase any non-jackpot prize won. Those prizes range from $8 for matching just the Powerball number to $2 million for matching all five white ball numbers. In accordance with game rules, all set prizes and Power Play prizes, including the match-5 prize, may become pari-mutuel if claims exceed available prize funds. As with all Lottery draw-style games, Powerball prizes must be claimed within 180 days of the drawing in which they are won.
Louisiana Powerball Stats

- Louisiana has had 17 jackpots won since joining Powerball; the largest was $191.1 million in October 2017.
- Louisiana has had more than 80 wins of at least $1 million since Powerball began.
- Louisiana is responsible for about 3 percent of total Powerball sales and prize pool funding.
- Retailers receive a bonus for selling a winning Powerball jackpot ticket equal to 1 percent of Louisiana’s contribution to the jackpot’s cash value or $25,000, whichever is greater.
- As with all Louisiana Lottery ticket sales, at least 35 cents of every ticket sold is transferred to the state and at least 50 cents goes to fund prizes.
- Powerball is the Louisiana Lottery’s most popular draw-style game, accounting for over $90.5 million in sales during fiscal year 2019.

**LOUISIANA LOTTERY POWERBALL JACKPOT WINNERS**

<table>
<thead>
<tr>
<th>Date Won</th>
<th>Advertised Jackpot</th>
<th>Name of Winner</th>
<th>City of Residence</th>
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<tr>
<td>3/24/2018</td>
<td>55.9 million</td>
<td>The Moose Family Trust</td>
<td>Lafayette</td>
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<tr>
<td>10/25/2017</td>
<td>$191.1 million</td>
<td>292 Family Partnership</td>
<td>Lafayette, LA</td>
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<td>5/25/2013</td>
<td>$50 million</td>
<td>The Williams Trust (split with two other winning tickets sold in DE and FL)</td>
<td>New Orleans, LA</td>
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<td>7/31/2010</td>
<td>$85.7 million</td>
<td>H &amp; N Family Partnership</td>
<td>Baton Rouge, LA</td>
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<td>5/31/2008</td>
<td>$34.1 million</td>
<td>Emilia Delgado</td>
<td>Kenner, LA</td>
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<td>1/16/2008</td>
<td>$97 million</td>
<td>Carl Hunter</td>
<td>Metairie, LA</td>
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<tr>
<td>9/30/2006</td>
<td>$15 million</td>
<td>Jane Compeaux Jabert</td>
<td>Cut Off, LA</td>
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<td>2/12/2005</td>
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<td>The Duchess Trust</td>
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<td>2/22/2003</td>
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<td>Cello Investments, LLC (split with ticket sold in MI)</td>
<td>Belle Chase, LA</td>
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<td>3/27/2002</td>
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<td>Jerry Berggren &amp; Cathy DeMuynck</td>
<td>Kenner, LA</td>
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<td>12/27/2000</td>
<td>$16.5 million</td>
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<td>$32 million</td>
<td>James M. Hambrick</td>
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<td>2/28/1996</td>
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<td>2/14/1996</td>
<td>$35 million</td>
<td>Mascaro, EtAl, A Louisiana Partnership</td>
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Mega Millions


Mega Millions underwent several enhancements in October 2017 designed to create larger jackpots and more millionaires. Key changes included a higher starting jackpot of $40 million, faster growing jackpots, better odds to win the $1 million match-5 prize and higher secondary prizes. In addition, the price of a ticket was raised from $1 to $2 to support the higher jackpots and secondary prizes.

Mega Millions holds the record for the second largest jackpot in North American history—$1.537 billion was won on Oct. 23, 2018 by a single ticket sold in South Carolina.

In fiscal year 2019, Mega Millions sales reached over $70 million.

The Game
For $2 per play, players pick five numbers, 1 through 70, and one yellow Mega Ball number, 1 through 25. Drawings are conducted on Tuesdays and Fridays in Atlanta, Georgia, and are broadcast live on participating local television stations at 10 p.m. Central Standard Time. Tickets must be purchased by 9 p.m. on the day of the drawing. The odds of winning any prize, ranging from $2 to the jackpot, are 1 in 24. The odds of winning the jackpot are 1 in 302.6 million for matching all six numbers. The advertised jackpot is expressed as an annuity payable in 30 graduated annual installments, although winners have the option of taking a lump-sum cash payment equivalent to the jackpot prize pool. Jackpot prizes are pari-mutuel and are divided equally among all jackpot-winning tickets. For an additional $1 per play, players can choose the Megaplier option which gives them a chance to multiply any nonjackpot prize won by the Megaplier number (2, 3, 4 or 5) randomly selected from a weighted field at the time of the Mega Millions drawing when the Megaplier is purchased. In accordance with game rules, certain Mega Millions and Megaplier prizes, including the match-5 prize, may become pari-mutuel if claims exceed available prize funds. As with all Lottery draw-style games, Mega Millions prizes must be claimed within 180 days of the drawing in which they are won.
Lottery Odds

Ever since games of chance were invented, people have attempted to come up with a strategy for winning. While it’s certainly fun to pick favorite numbers, there is no way to beat the odds of any given legitimate lottery game without pure luck — that’s what makes it a game of chance. For each type of wager, every player has an equal opportunity to win. To understand that concept, it helps to understand odds.

Every Louisiana Lottery game has odds associated with the overall game and with individual outcomes. Odds are based on a mathematical formula that indicates your chance of winning. The Lottery posts overall odds for a game, which express the chances of winning ANY prize per wager, as well as the odds of winning a particular prize amount within the game. For example, a $3 scratch-off game may have overall odds of 1 in 3.9 to win any prize, but odds of 1 in 320,000 to win the top prize.

**Scratch-Offs**

Scratch-off odds vary depending upon the prize pool and prize structure of the game. Factors that impact game odds include how many individual prizes are in each of the prize levels, the total number of tickets printed for the game and the payout percentages for the game, which all vary by ticket price. Odds are determined by taking the total number of tickets in a game and dividing it by the total number of prizes in that game. For example, if there are 500,000 winning tickets and there are 1.5 million tickets printed, the overall odds of winning a prize would be:

\[
\frac{500,000}{1.5 \text{ million}} \quad \text{or} \quad 1 \text{ in } 3
\]

Odds of 1 in 3 mean that you have a 1 in 3 chance of winning. If you divide 1 by 3, you get .3333 or 33 percent. So overall odds of 1 in 3 mean you have a 33 percent chance of winning a prize over the entire game. Said differently, overall game odds of 1 in 3 mean that 33 percent of the game’s tickets are winners. This does not mean that every third ticket is a winner. Winning tickets are randomly distributed throughout the game to ensure the game’s integrity so that NO ONE, not even Lottery staff, knows which tickets are winners.
**Draw-style Games**

The same theory of randomization applies to the drawing process for draw-style games. For example, Pick 3 “Straight” odds of 1 in 1,000 mean there are 1,000 different Pick 3 “Straight” combinations and one of those will be drawn. It does not mean that in 1,000 drawings, a given Pick 3 combination will definitely be drawn. That’s because numbers that have been drawn in the past are not eliminated from the draw. To be a truly fair game, every unique number combination has an EQUAL chance of being selected for every drawing regardless of whether or not it was drawn in the past. Draw-style game odds will vary depending upon the game’s matrix, which includes the field of numbers from which to choose, the number of correct choices needed for a payout and whether the choices must be in correct order or not. For an individual wager in a draw-style game, the odds of winning a particular prize will generally increase with the potential prize amount. Using Lotto as an example, here is how the odds of winning the jackpot prize (1:3.83 million) are calculated. There is only one way to win the jackpot, by picking 6 numbers correctly from a field of 40:

\[
\frac{40 \times 39 \times 38 \times 37 \times 36 \times 35}{6 \times 5 \times 4 \times 3 \times 2 \times 1} = 3,838,380
\]

Note that this formula works only for getting all 6 numbers correct. To determine the odds of matching only 3 out of 6 numbers to win the $3 Lotto prize, you must factor in the odds of NOT matching the other 3 of the 6 numbers.

First, consider the number of ways to get 3 out of 6 numbers correct:

\[
\frac{6 \times 5 \times 4}{3 \times 2 \times 1} = 20
\]

And the number of ways to have 3 losing numbers:

\[
\frac{34 \times 33 \times 32}{3 \times 2 \times 1} = 5,984
\]

So the odds of matching only 3 numbers and winning the $3 Lotto prize are 1 in 32:

\[
20 \times 5,984 = 119,680 \text{ winners}
\]

\[
3,838,380 / 119,680 \text{ outcomes} = 32
\]

To determine the overall odds for the game, add the number of winners for each prize for each prize outcome and divide by the total number of outcomes.
Historical Timeline

1990. **October 6.** Louisiana voters approve a constitutional amendment creating the Louisiana Lottery Corporation by a 7 to 3 margin.

1991. **September 6.** The first instant scratch-off game *Louisiana Treasures* goes on sale.

1992. **January 22.** The first draw-style jackpot game Lotto is introduced with a starting jackpot of $2 million.  
**August 31.** Pick 3 launches with daily drawings.  
**September 26.** The Robert H. LeBas Family Partnership of Church Point claims the largest recorded Lotto jackpot of $21,208,165.

1993. **November.** Cumulative Lottery sales top the $1 billion mark.


1995. **March 5.** The Lottery becomes the 19th lottery, of the now 47, to join the multistate game Powerball. The Lottery also begins offering Easy 5 until Oct. 1998.

1996. **January 15.** The Problem Gambling Helpline is launched by the state, and the Lottery adds the number to all tickets and advertising.  
**February 14.** Louisiana experiences its first Powerball jackpot winner with two more jackpot-winning tickets sold for the Feb. 29 and July 17 drawings.


1998. **October 12.** Cash Quest is introduced with drawings on Wednesdays and Saturdays. Drawings are increased to five days a week in May 2003 until the game ends in Sept. 2007.

1999. **March 1.** Pick 4 is introduced with daily drawings.  
**December.** Cumulative treasury transfers reach $1 billion.

2000. **September 9.** The Lottery begins offering the multistate game Rolldown until April 2002.

2001. **March 4.** The Power Play option is added to Powerball, giving players the chance to multiply nonjackpot winnings for an additional $1 per play.

2002. **July 1.** The Lottery’s headquarters moves to its permanent building in downtown Baton Rouge.

2003. **June.** The Lottery begins participating in the AMBER Alert network through its retailers.  
**October.** Cumulative revenue tops the $4 billion mark.

2004. **July 1.** A constitutional amendment approved by voters takes effect to dedicate Lottery proceeds to the Minimum Foundation Program, which funds K-12 public education in Louisiana.

2005. **August 29.** Hurricane Katrina strikes the Gulf Coast, causing the loss of over 900 Lottery retailer locations, including 700 in the New Orleans area.  
**September 24.** Hurricane Rita follows, disabling an additional 300 retail stores in Southwest Louisiana.
October 19. A record Powerball jackpot causes the Match-5 Bonus prize to kick in for the first time with three Louisiana players each winning $853,492.

2006. November. The Louisiana Lottery becomes the first North American lottery to receive industry verification that its quality assurance processes meet industry best practices.

2007. April 27. The Lottery conducts its $1,000,000 Spectacular Second-Chance Drawing live from five finalists’ entries.

September 16. The Lottery relaunches Easy 5 with a starting jackpot of $50,000.

December 17. The Lottery launches its Let the Good Times Roll scratch-off featuring the artwork of Louisiana artist Darrin Butler, who won the Louisiana JAZZ art contest sponsored in conjunction with the Office of the Louisiana Lieutenant Governor and the Department of Culture, Recreation & Tourism.


February 18. The Lottery launches its first-ever $10 raffle game, Millionaire Raffle.

April. The Lottery Corporation receives the Certificate of Achievement for Excellence in Financial Reporting for the tenth consecutive year from the Government Finance Officers Association (GFOA).

July. Cumulative Lottery transfers to the state treasury top $2 billion.

2009. January. Powerball’s starting jackpot jumps to $20 million to make it the largest starting jackpot of any lotto-style game in the world. The Lottery partners with Louisiana music legend Al “Carnival Time” Johnson to celebrate his anthem’s 50th anniversary in conjunction with the promotion of its Mardi Gras scratch-off.

June 30. The Lottery ends its fiscal year with the highest sales since 1993.

September 8. The Lottery partners with the New Orleans Saints to launch the first-ever team-themed scratch-off game with a series of second-chance drawings for game ticket packages and autographed merchandise. Saints go on to become World Champions.

December. The Lottery partners with the Zulu Social Aid and Pleasure Club to launch the first-ever Mardi Gras scratch-off game featuring a parade krew brand.

2010. February 8. The Lottery launches its second raffle game, $1,000,000 RAFFLE.

June 27. For the first time since start-up, the Lottery upgrades both its retailer terminal equipment and gaming system.

November. Cumulative revenue tops $6.5 billion and cumulative transfers top $2.3 billion.


April 4. The Lottery sponsors a T-shirt design contest to celebrate its 20th anniversary.

July 11. Capitalizing on the popularity of alligator hunters and reality TV stars Troy and Jacob Landry of Pierre Part, the Lottery launches the $2 scratch-off game Choot ‘Em*.

November 16. The Lottery introduces a new multistate game, Mega Millions, a $1 per play draw-style game featuring starting jackpots of $12 million.

2012. January 15. The multistate game Powerball undergoes several changes to produce bigger
Jackpots and better odds of winning, with the cost of a ticket increasing from $1 to $2.

March 16. The Lottery receives the Certificate of Achievement for Excellence in Financial Reporting for the 14th consecutive year from the Government Finance Officers Association (GFOA).

March 19. In commemoration of Louisiana’s bicentennial, the Lottery introduces the $2 scratch-off game Lovin’ Louisiana – 200 Years.

April 3. The Lottery cooks up a new $2 scratch-off called Crystal Hot Cash, featuring Louisiana’s iconic Crystal Hot Sauce.

2012. June 30. Louisiana Lottery sales top $400 million for the first time since 1993, with fiscal year 2012 sales of $429.6 million. The treasury transfer of $156.9 million for fiscal year 2012 is the Lottery’s second-highest since inception.

July 30. Entering into a strategic alliance with the popular hunting magazine Louisiana Sportsman, the Lottery launches a $2 scratch-off game by the same name.

August 27. The Lottery launches its fourth New Orleans Saints-themed scratch-off entitled I LOVE MY SAINTS.

2013. February 11. The Lottery launches a MONOPOLY® scratch-off game at the $5 price point after two successful $2 games earlier in its history.

February 13. Looking to new technology to help increase its retail presence, the Lottery deploys self-serve vending machines called WinStations at 20 select retailers throughout the state.

February 25. Recognizing the popularity of online video content, the Lottery launches a weekly YouTube talk show called The Big Deal.

April 1. ezDay$ of April, a month-long promotion for Easy 5 with ezmatch, breathes new excitement into one of the Lottery’s in-state jackpot games.

May 25. Louisiana’s 15th Powerball jackpot-winning ticket is sold in New Orleans. The $50 million prize is split with two other winning tickets sold in Delaware and Florida; The Williams Trust of New Orleans claims Louisiana’s portion.

July 22. The Lottery enlists Club Lotteaux members and Facebook fans to help choose its 2013 holiday scratch-off lineup via an online promotion entitled Jingle Bells in July.

July 31. Fiscal year sales top $400 million for the second year in a row.

August 5. The Lottery launches the $5 scratch-off BLACK & GOLD SAINTS, partnering with the New Orleans Saints for the fifth year.

October 19. The multi-state jackpot game Mega Millions undergoes enhancements, including a higher starting jackpot, a $1 million match-5 prize and lower overall odds of winning, designed to create larger jackpots and more millionaires.

December 16. The Lottery launches the first $5 Duck Dynasty-branded scratch-off in the country, with tickets featuring members of A&E Network’s hit reality series.

2014. January 1. Changes are made to the Power Play add-on feature of the multi-state jackpot game Powerball, with certain prize levels once again dependent upon a multiplier.

February 21. A brand new website is launched, offering players improved functionality, upgraded features and a clean, sophisticated design.

March 1. To revitalize player interest in its flagship draw-style game Lotto, the Lottery launches Lotto Lagniappe, a four-month promotion offering bonus entries for monthly raffle drawings.

April 11. For the 16th consecutive year, the Lottery receives the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).
Government Finance Officers Association of the United States and Canada.

**June 30.** Lottery revenue tops $450 million for the fiscal year and $161.6 million is transferred to the state treasury for K-12 public education, not including an additional $9 million to the state treasury for the Louisiana Mega Project Development Fund as part of a 2014 legislative act. The exemplary results land the Lottery in the top 10 state lotteries for instant sales growth in 2014.

**August 18.** The Lottery launches its sixth New Orleans Saints-themed scratch-off entitled SAINTS.

**2015. March 2.** The Lottery launches a $2 Tony Chachere’s-themed scratch-off, featuring the creole seasoning brand’s iconic can and character.

**June 17.** The Lottery launches an Instagram account as an effort to further promote its brand with visual updates and cultural happenings around the state.

**June 30.** Lottery revenue tops $452 million for the fiscal year and $168 million is transferred to the state treasury for K-12 public education, not including an additional $20 million transfer from the Lottery’s unclaimed prize fund for the Minimum Foundation Program and another $5.9 million from cash reserves for the Lottery Proceeds Fund per a 2015 legislative act.

**August 10.** The Lottery launches the $5 scratch-off SAINTS FEVER!, its seventh year partnering with the New Orleans Saints.

**October 4.** Changes are made to the multistate jackpot game Powerball in an effort to produce larger jackpots and better overall odds of winning. A 10x multiplier is added to the Power Play add-on feature for drawings with jackpots under $150 million. The match-4 plus Powerball prize jumps from $10,000 to $50,000.

**October 12.** The Lottery launches the Retailer Portal website giving store owners 24/7 access to accounting, inventory and sales reports.

**October.** The Lottery’s $2 game Spice It Up! is chosen as the Best New Instant Game of 2015 by NASPL.

**2016. January 13.** The Powerball jackpot is hit at a record $1.58 billion, producing three Louisiana millionaires and $60.2 million in sales during its record run.

**April.** The Lottery is awarded the Sharon Sharp Good Causes Award by Public Gaming Research Institute for having the highest percentage year-over-year increase in net revenue transferred to its beneficiary among any lottery.

**June 30.** Lottery revenue tops $500 million ($508.4 million total) for the first time ever during a fiscal year and $177.9 million is transferred to the state treasury for K-12 public education.

**August 8.** The Lottery launches the $5 scratch-off SAINTS GOLD, its eighth year partnering with the New Orleans Saints.

**September 6.** The Lottery launches the $5 25X scratch-off to celebrate its 25th Anniversary.

**2017. April.** For the 19th consecutive year, the Louisiana Lottery Corporation received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada.

**June 30.** Lottery revenue tops $454.8 million for the fiscal year and $159.2 million is transferred to the state treasury for K-12 public education.

**August 14.** The Lottery launches its ninth consecutive Saints-branded scratch-off game, SAINTS GAME ON!
Oct. 25. A single ticket purchased in Eunice matched all six numbers to win a $191.1 million Powerball jackpot, the largest single amount won in Louisiana Lottery history.

2018. March 24. A single ticket purchased in Lafayette matched all six numbers to win a $55.9 million Powerball jackpot, the second jackpot win in Louisiana in just under five months. June 30. Lottery revenue tops $491.3 million for the fiscal year and $171.9 million is transferred to the state treasury for K-12 public education.

2019. Feb. 8. The Lottery launches the $2 Zatarain’s-themed scratch-off, Boil It Up!, featuring the imagery found on their iconic boiling seasoning product labels. June 30. The Lottery ends its best year ever with revenue topping $526.6 million and $184.3 million is transferred to the state treasury for K-12 public education. Aug. 13. To mark its 11th consecutive annual partnership with the New Orleans Saints, the Lottery launched not one, but two scratch-off games featuring the team’s logos, the $5 We Are the Saints and the $2 New Orleans Saints.
Player Protection
Claiming Prizes

The Louisiana Lottery encourages players to put these protection tips into practice to ensure the best possible playing experience:

1. **Sign the Back of Lottery Tickets Immediately After Purchasing.** Lottery tickets are bearer instruments, which means the Lottery must pay the holder of a winning ticket presented for payment. Signing the back of their tickets is the single most important thing players can do to help protect themselves from theft and demonstrate ownership of their tickets. Any alteration to a winning ticket worth more than $600 is cause for an immediate security investigation. Keep in mind, once a winning ticket has been paid, it is much more difficult to determine whether another individual was the rightful owner. By law, the Lottery can pay a winning ticket only once.

2. **Learn How to Play & Check Tickets After the Drawing.** The Lottery strongly encourages players to take the time to learn how a game is played before cashing a winning ticket. Players should learn the rules and winning combinations for the games they play in order to have an idea of how much they’ve won before presenting tickets for cashing. This information can be found on the Lottery’s website, in the “All Games Guide” located in retailer play centers and on scratch-off game tickets. Winning numbers can be found on the Lottery’s website and on the Lottery’s winning numbers hotline (225-297-2350). Winning numbers are also broadcast nightly on the Lottery’s Official Drawing Show and can be printed from retailer ticket terminals.

3. **Watch the Customer Display Unit to Verify Any Winnings.** Players should pay attention to the discreet Customer Display Unit when having their tickets cashed at Lottery retailers. The small screen will tell whether or not the scanned ticket is a winner, and if so, how much is won. If the winnings are more than $600, the display will direct the player to a Lottery office to claim the prize.

4. **Ask for a Validation Receipt.** Winning tickets worth $600 or less can be paid by Lottery retailers. Players are encouraged to ask for a receipt confirming whether the ticket was a winner or the amount won if ever they are in doubt. If a player is told his/her ticket is not a winner, he/she may request its return. There is no reason for a retailer to keep a non-winning ticket.

5. **Report Any Concern Right Away.** To report a problem or concern with cashing a winning ticket, players should contact the Lottery immediately at signitnow@louisianalottery.com with detailed information regarding their complaint or the incident.
Player Protection

Illegal Lottery Scams

Using a variety of methods, schemers promise lottery prizes to lure individuals into sharing personal information or sending them large amounts of money in advance. Here are red flags that a prize notification may be a scam:

- **The notification requests the “winnings” be kept a secret.** This ploy is to keep individuals from sharing the information with family members who may help them realize that it is a scam.

- **A ticket was not purchased for the particular game or the player did not enter the drawing in which the prize was won.** Every legitimate lottery business model requires the payment of prizes from funds collected through the sale of tickets. Even the IRS only issues refunds based on taxes already paid! Players should ask themselves where the funds came from to pay the prize and whether they recall physically entering the drawing or purchasing a ticket. Remember, there is no such thing as free money.

- **Players are asked to make up-front payments of processing fees, taxes or insurance in order to collect the winnings.** This is the foundation upon which all scams are based. No legitimate lottery will ever require up-front payment of any kind from winners in order to claim a prize. Any withholdings, such as taxes owed by the winner, are deducted from the prize funds.

- **Players are guaranteed that they will win a prize if they pay to join a pool.** Legitimate lotteries do not require players to join a pool in order to play. Also, legitimate lotteries cannot guarantee a ticket will win a prize. Even if there was a way to “fix the system” in order to win, participation would constitute a serious crime. Remember, gambling across state lines through the Internet, phone or mail is illegal. Also, scam artists that set up shop oversees are more difficult to prosecute.

**Tips to Avoid Scams**

- Never give personal information, your credit card numbers, bank account numbers, or social security number over the phone or internet to a business promising lottery jackpots.

- If you haven’t purchased a ticket for the particular game or entered the particular drawing in which the prize was won, don’t respond to the notification.

- Never believe a letter, phone call, or email, text message or social media post from someone who offers you a guarantee of winning a prize.

- Never trust someone who says you can win the lottery by purchasing a set of "winning numbers" instead of a ticket.

- Never pay processing fees, upfront taxes, insurance, or commissions to claim a lottery prize.
Problem Gambling and Responsible Play

Seventy-four percent of Louisiana adults have reported participating in some form of gaming at least once, and the vast majority of them do so responsibly as a form of entertainment. However, according to a 2016 study by the Louisiana Department of Health, Office of Behavioral Health, approximately 5.4 percent of all Louisiana adults are labeled as potential problem gamblers and 2.9 percent are considered pathological gamblers.

Like other addictions, the problem gambler has little power over his or her urge to gamble, which can result in psychological, financial, emotional, marital and legal problems for the gambler and his or her family. As a result, gambling is no longer fun — it’s no longer a game.

Problem gambling is not a bad habit or a moral weakness. It is a serious condition that can be treated. The good news is that hope and help are available. In fact, Louisiana is the only state to offer all of the following forms of confidential problem gambling treatment, most of which are statefunded: inpatient, outpatient, private counseling and 12-step meetings.

According to the National Council on Problem Gambling, the average per capita investment for problem gambling services in the 39 states with publicly funded services is 32 cents; Louisiana’s per capita public investment is 54 cents.

The Louisiana Lottery Corporation supports the work of the Department of Health and Hospitals-Office of Behavioral Health and the Louisiana Association on Compulsive Gambling by printing the problem gambling helpline number, 1-877-770-7867, on all tickets, advertising, news releases and sales materials; promoting National Problem Gambling Awareness Week in March; and conducting responsible play public service campaigns. In addition, $500,000 of the Lottery’s annual proceeds transferred to the state is earmarked for problem gambling programs.

Fortunately, 78 percent of survey respondents report awareness of the hotline with 5 percent recalling seeing it on a Lottery ticket.

The Lottery also provides resources on problem gambling and responsible play tips on a special section of its website, louisianalottery.com/play-responsibly, and provides responsible play literature in its play centers located in Lottery retailers throughout the state.
Responsible Play Tips

The Louisiana Lottery encourages everyone to play responsibly. Here are a few tips:

- Think of the money you lose as the cost of your entertainment.
- Set a dollar limit and stick to it.
- Set a time limit and stick to it.
- Accept losing as part of the game.
- Don't borrow money to gamble.
- Don't let gambling interfere with family, friends or work.
- Don't gamble to win back losses.
- Don't use gambling as a way to cope with emotional or physical pain.
- Gamble only for fun.
- Know the warning signs of problem gambling.
Minimum Age Requirement

The Law and Penalties
According to state law, Lottery ticket purchasers must be at least 21 years of age. Individuals who sell tickets are required to obtain proof of age through a current valid driver’s license, a state-issued ID card, a passport or military or federal ID containing both a photo and date of birth. The Lottery’s retailer regulations hold retailers responsible for their employees’ adherence to this law. If retailers are found not to be in compliance, their contracts can be suspended, revoked or terminated. To assist in ensuring compliance, many retailers choose to utilize point-of-sale technology that requires the swipe of the ID of a customer purchasing tickets.

Any person who knowingly sells to a minor can be fined between $100 and $500 for the first offense and $200 to $1,000 for each subsequent offense. Underage purchasers can also be fined up to $100.

The 21 minimum age requirement to purchase Lottery tickets changed from 18 years of age in 1998 to coincide with the age requirement for other forms of gaming in the state. Louisiana is one of only a few states that require Lottery ticket purchasers to be at least 21 years of age. Most states with lotteries have a minimum age requirement of 18.

Individuals who are at least 21 years of age can give Lottery tickets to a person under 21 as a gift, although minors must be accompanied by a legal guardian or a family member who is at least 21 years of age in order to claim a Lottery prize. The Lottery’s statute does not contain a minimum age requirement to sell Lottery tickets; retailers are governed by employment law in that regard.

Enforcement, Prevention & Education
Although the Lottery is not engaged in law enforcement, it is required to report all suspected violations of underage gambling to the District Attorney or Louisiana Attorney General’s Office and local law enforcement. The Lottery’s security department investigates any complaints of noncompliance.

The Lottery aggressively promotes the 21 minimum age requirement by printing it on all tickets, news releases, sales material and signage, as well as reinforcing the message in retailer training and communication. In addition, the Lottery is a member of the Louisiana Responsible Vendor Program, which establishes mandatory training and certifies vendors on minimum age requirements for alcohol, tobacco and lottery sales. The program is administered by the state’s Office of Alcohol and Tobacco Control.

The Lottery has also partnered with the Louisiana Oil Marketers and Convenience Store Association, the Louisiana Retailers Association, the Louisiana Office of Alcohol and Tobacco Control and the security departments in its retail chain accounts to educate retailers and their employees about the 21 minimum age requirement.
History of Lotteries

Introduction
Governments have a millennia-long history of offering gaming to fund programs for public good, with more than 200 operating in more than 100 countries in existence today. Throughout U.S. history, states have retained, under the Tenth Amendment to the Constitution, the authority to establish their own gambling policies and the federal government has deferred to the states by enacting only the laws necessary to support state policies. In 2018, over $23.4 billion was raised to support government services and programs from education and elderly affairs to recreation and business development. As such, lotteries are an ubiquitous, popular form of entertainment, as 95 percent of U.S. citizens live in states with lotteries, and roughly half of American adults report purchasing a state lottery ticket within the last year, according to a 2016 Gallup poll.

The Roots of Modern Lotteries
The roots of today’s lotteries can be traced as far back as the Roman Empire, where emperors gave gifts to party guests through a lottery system. The first recorded lotto game started in the Italian Republic of Genoa during the 16th century. Yearly drawings were held to select five people out of 90 candidates to become members of the Senate. Citizens guessed which five names would be selected and the person with all five names received a jackpot prize. Later, the names were replaced by numbers and the lotto was born.

European & Early American Lotteries
Early lotteries provided players with an outlet for fun and entertainment, but they also provided a source of funds for different projects. In 15th-17th century Europe, money generated from lottery sales financed everything from construction and charities to funding for the North American colonies. A lottery allowed the first American colonists in Jamestown to raise enough money to keep the colony going through the winters. In 1777, the Continental Congress held its first lottery in Philadelphia to raise funds for similar projects.

After the Revolutionary War, lotteries became quite popular, providing a way for people to pay for the rebuilding of towns and cities as well as other projects without being taxed.

During the late 1700s to mid 1800s, public and private lotteries came and went as the government attempted to crack down on fraud through licensing requirements. Many states eventually outlawed lotteries because of mismanagement and illegal practices.

The First Lottery in Louisiana
In 1868, a group of entrepreneurs established a privately owned business called the Louisiana Lottery Company and sold tickets nationwide. With only about 7 percent of the company’s revenue coming from within the state, the Louisiana Lottery Company quickly became one of the largest businesses in the U.S.
The owners of the company worked out an arrangement with Louisiana’s state government. In exchange for donating a sum of $40,000 a year for 25 years to Charity Hospital of New Orleans, the company kept the rest of their revenues, an estimated 48 percent, tax free.

Amid charges of corruption, the company moved to Honduras and eventually shut down after the federal government passed laws banning the sale of lottery tickets through the mail. By 1894, private lotteries were no longer legal in the United States.

Rebirth of American Lotteries
The North American lottery industry came back 70 years later when New Hampshire began a sweepstakes lottery. Six years later, the face of lotteries changed as the New Jersey Lottery formed a retailer network and began using ticket-issuing machines to produce tickets. In the late 1970s, familiar lottery games such as instant tickets and on-line lotto (Massachusetts) as well as daily numbers games (New Jersey) appeared on the scene. Today, government-sponsored lotteries have been created in 45 states plus the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. States currently without a lottery include Alabama, Alaska, Hawaii, Nevada and Utah.