Oregon Lottery: Revenues grow on the increase in video slots games

Harry Esteve | hesteve@oregonian.com By Harry Esteve | hesteve@oregonian.com

on November 22, 2013 at 9:06 AM, updated November 22, 2013 at 9:07 AM

After a lull during the recession, state-run lotteries around the nation have resumed torrid growth. A handful of state lotteries with video slot and poker machines are leading the charge.

In all, gamblers lost just under $68 billion playing state lottery games and machines in 2012, according to figures assembled by the North American Association of State and Provincial Lotteries. That’s a 7 percent increase from the previous year and shows players who took a break during lean years are returning in droves.

Some of the increase has been driven by record-setting jackpots in number-picking games, such as Powerball, says David Gale, executive director of the lottery association.

But the big kahuna is video.

“Look at Rhode Island,” Gale says. With a population of just over 1 million, the lottery collected $782 million in revenue, about two-thirds of it from video slots. “But that’s true for all lotteries with slots,” he says.

Of the 15 states that had the most lottery sales per capita, eight offer video slots in one form or another. Illinois, which is the most recent state to authorize state-run slots, was the only one not to make the list.

The numbers become even clearer when looking at so-called “transfers” -- the profits lotteries pour into state budgets after paying prizes and administrative costs. Together, West Virginia, Rhode Island, Delaware, New York and Oregon rake in one-quarter of the nation’s lottery-based profits.

One thing they have in common: electronic slots.

-- Harry Esteve