

## 'They're worse than slot machines'

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Customers have spent \$6.3 million on lottery tickets in the 39 lottery retailers in Portsmouth so far this year.

While no city or town saw more lottery sales in 2013 and 2014, Rochester has overtaken the Port City as the top municipal point of purchases in 2015. Customers in Rochester have spent \$6.4 million on lottery tickets from Jan. 1 through Oct. 24, according to the Lottery Commission, even though the city has only 23 retailers.

Customers spent \$7.8 million in Portsmouth's stores in 2014, while people visiting Rochester's stores spent \$7.7 million, according to lottery figures.

Portsmouth saw \$8.3 million in net lottery sales in 2013, followed again by Rochester with \$7.9 million.

Mayor Robert Lister said he was not surprised that Portsmouth had more lottery sales than other area Seacoast towns. But as is the case with revenue raised in Portsmouth for the state by the rooms and meals tax, Lister believes there's a lot more money leaving the city than coming back.

"I think we get a very small percentage," Lister said. "Lottery money is supposed to go back to the towns and cities for education, but I never remember getting a big check from the state when I was superintendent."

In its 50 years of existence the New Hampshire Lottery has contributed more than \$1.7 billion to New Hampshire's schools, according to the N.H. Lottery's website. In fact, the lottery touts that at the top of the main webpage.

But state officials said this week they don't know how much money individual cities and towns receive from lottery money.

E.J. Powers, who does public relations for the Lottery Commission, said Friday "the New Hampshire Lottery's role is to maximize revenues which are earmarked for education."

"The lottery doesn't have any authority as to how or where those funds are distributed," he said. "The Legislature has determined a formula for this and it is administered by the Department of Education."

Ron LeClerc of the state Department of Education in an email stated "lottery proceeds are deposited in the Education Trust Fund along with other sources of revenue."

“There is no way I can determine the share that goes to individual towns,” he added.

Lister also worries about the social costs the lottery can bring.

“I’ve seen the same people standing in the corner buying and playing tickets,” Lister said. “They think they’re going to get rich buying lottery tickets and for some people it’s an addiction.”

But Lister stressed for the casual player like him, “you’re not going to get a big return.”

“The odds are very much against it,” he said.

Maura McCann of the N.H. Lottery Commission stressed this week that “sales figures are impacted by a variety of factors.”

“Where people purchase lottery tickets is not necessarily indicative of where they live,” she said. “For example, we would anticipate that Seabrook, as a border town, would have a much higher percentage of sales to Massachusetts customers than other communities located farther away from the Massachusetts border.”

She also noted towns with more retailers can have more sales than other towns with fewer stores.

“Given all these variables, it is very challenging to draw meaningful conclusions from statistics detailing sales by community,” she said.

However, Dover, which has 23 retailers like Rochester, has sales of slightly more than \$5 million for 2015 so far, as compared to \$6.4 million in Rochester.

Assistant Portsmouth Mayor Jim Splaine said people who buy lottery tickets have little chance of winning.

“The percentages of winners are really small,” he said. “They’re worse than slot machines. It’s really a rip-off in that way.”

Critics of lottery sales across the nation say the expansion of sales and marketing, including a growing diversity of games, vending machines and higher ticket costs, prey on problem gamblers.

Les Bernal of the national organization, Stop Predatory Gambling, said “State lotteries have a business model that’s based on getting up to 70 to 80 percent of their revenue from 10 percent of the people that use the lottery.”

Splaine said when he was in the Legislature he introduced a bill that would have required the commission to print the odds of winning in lottery stores and on the back of tickets. “But it never passed,” he said.

Rochester Mayor T.J. Jean said he has never looked at lottery sales by city before.

“I’ve never given it much thought,” he said.

But he speculated Rochester’s lottery sales are driven by tourists from Massachusetts who stop to buy lottery tickets on their way to the White Mountains or Lakes Region.

“I’d have to say tourism is a significant driver,” he said.

But he acknowledged it did “surprise” him that Rochester was first in the Seacoast in lottery sales.

“Of that 23, it would be interesting to see where the top stores are,” Jean said.

State Sen. Martha Fuller Clark, D-Portsmouth, said she believes the Lottery Commission spends “a pretty high portion” of the lottery proceeds on “marketing and promotion.”

According to the N.H. Lottery's website, 62 percent of the lottery revenue goes to prize payouts and 26 percent goes to New Hampshire schools. The remainder includes 6 percent for retailer commissions, 3 percent each for administrative expenses and other cost of sales.

Fuller Clark also questioned the fairness about how lottery money is distributed, saying, “I believe Portsmouth doesn't get any.”

She too worries about the impact on people who are struggling financially and decide to buy lottery tickets.

But she added, “We all have the discretionary right to spend money as we see fit. ... I think people have to sort of reap the consequences of their own actions.”

She also said, “Normally, I would assume people who are under greater financial stress would be more inclined to buy lottery tickets.”

“That's what worries me,” she added, but stressed that buying lottery tickets is not as addictive as gambling in a casino.