

**NEW HAMPSHIRE LOTTERY® COMMISSION**  
**14 INTEGRA DRIVE, CONCORD NH**  
**MINUTES OF COMMISSION MEETING**  
**November 13, 2018 2:00 p.m.**

**Commissioners:**

Debra Douglas, Chairman  
Paul J. Holloway, Commissioner  
J. Christopher Williams, Commissioner

**Lottery staff in attendance:**

Charles McIntyre	John Conforti	Maura McCann	Steve Johnston
Katie Brown	Jim Duris	Lynda Plante	Neetika Bista
Kelley-Jaye Cleland	Valerie King	Carmela Nolin	Puja Manandhar

**Others in attendance:**

Gina Powers, RYP Granite	Rose Longo-White, GYK Antler	Ryan Sahr, Intralot	Alicia Xanthopoulos, NHCGOA
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Chairman Douglas called the meeting to order at 2:03 p.m.

**1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES**

Chairman Douglas sought a motion to accept the October meeting minutes. Commissioner Holloway so moved, and was seconded by Commissioner Williams, via teleconference. All in favor, meeting minutes were approved as submitted.

**2. FINANCIAL REPORTS**

- a. Chief Financial Officer James Duris reported that the October financials are not yet available; however, he noted with confidence that sales this month will close \$18.957 million over this month last year; with Mega Millions, Powerball, Keno, and iLottery all contributing to the growth.
- b. There are no unexpected expenses and accounts receivable are fine. Mr. Duris spoke to the State regarding interest owed the agency. Treasury currently is holding our payment and will now do transfers bi-annually; this will be \$41 thousand in January. Chairman Douglas inquired why it's done only every other year; Mr. Duris will ask, but suspects it has much to do with the auditing schedule that Treasury is subject to.
- c. Mr. Duris introduced two new members of his staff: Neetika Bista, Accountant III, and Puja Manandhar, Accountant I.

**3. SALES AND PRODUCTS**

- a. Director of Sales and Product Development Kelley-Jaye Cleland provided an update on iLottery sales activity. She distributed a report to the Commission which illustrated key measurable factors such as findings that 60% of participants play on a mobile device; two-cent e-Instant games are among the most popular; and incentive offers to our customers have a hugely positive effect on sales. As time passes, we will get a better picture of our players' demographics, the type of offers that appeal to them, and the platforms/devices on which they are playing.
- b. Chairman Douglas inquired if all draw-based games are available through iLottery. Director McIntyre responded that it is currently just Powerball and Mega Millions; and further noted that the physical instant ticket sales were up \$1.4 million over last year without cannibalizing online sales.
- c. An Intralot update was provided by General Manager Ryan Sahr. He reported that New Hampshire was second per capita in Powerball sales. Year over year, we have had 28% increase in draw-based game sales, with Fast Play sales growing the most (the last two months alone were the largest since we started

selling it). Keno recruitment efforts are continuing, and the Stars of the Industry event gave us even more exposure to the restaurant industry.

- d. Commissioner Holloway requested an update on Keno and asked what the goals are for the first year. Director McIntyre reported that we are falling short of our \$42 million goal as we currently have 160 of the 250 locations we need to achieve that figure. Keno not passing in Keene, Concord, and Lebanon has hurt our recruitment. However, we are likely to hit \$27 million in gross revenues for the year, reaching \$5.25 million in profitability.

#### **4. ADVERTISING**

- a. Marketing Director Maura McCann described seasonal promotions scheduled for the next month, including the subscription discount program at retail locations from November 23 to December 31. The Tri-State promotion Jingle All the Way, in which qualified single Megabucks ticket purchases of \$6 or greater are randomly awarded \$25 cash prizes. This promotion is funded with expired, unclaimed prize money.
- b. The filming for the corporate campaign is underway, and includes spots of Keno-supported kindergarten as well as general money earmarked for education. The finished television advertisements for both corporate and Keno are expected to air around the first of January.
- c. The Department of Health and Human Services (DHHS) has posted an RFI for needs on problem gambling. The New Hampshire Council on Problem Gambling, financially supported by the Lottery, has responded to that RFI, urging that full screening of addictions also include gambling. Chairman Douglas asked if we run any gambling support public service announcements on television. Ms. McCann responded yes, and described the ad produced by Tri-State. Chairman Douglas would also like print options explored through the press association.
- d. The popular New Hampshire Lottery calendar in print production. The photographs featured this year were provided by Lorna Colquhoun from the Department of Business and Economic Affairs.
- e. The Tri-State meeting will take place in Burlington, Vermont later this week and will include workshops to develop the commission's five-year plan.
- f. The draft Keno survey results are back with a 70% response rate by retailers. Of the 110 responses, three quarters of businesses say that their food and beverage sales have increased since hosting the game. The results will be used in letters to town select boards as we continue to reach out to communities to place Keno for consideration on their warrant, as well as in a press release to highlight the favorability of the game by establishments. We will also leverage the results to encourage prospective retailers to express their interest to host Keno to their town select boards.
- g. iLottery advertising is ramping up for the start of the next calendar year after our traditional sales advertising through the holidays has concluded.

#### **5. REGULATIONS AND COMPLIANCE**

- a. Director of Racing and Charitable Gaming Valerie King submitted a request to authorize an initial proposal to renumber Sw 600 to Lot 600, Rules for Prize Claims, and readopt it with amendments. So moved by Commissioner Holloway and seconded by Commissioner Williams. All were in favor and this first motion to adopt was passed.
- b. Ms. King made a request to authorize an initial proposal to renumber Sw 1000 to Lot 1000, Rules for All Instant Lottery Games, and readopt it with amendments. Commissioner Holloway so moved, and was seconded by Commissioner Williams. Chairman Douglas asked why the definition of "Agent" is used in Lot 1002.01, but not in Lot 600.01. Ms. King responded that the term is not referred to in Lot 600, and as such does not need to be explicitly defined there. With that explanation, the motion was passed unanimously.
- c. These motions now give Ms. King the authority to enter these rules into rulemaking, and will hold hearings at the next meeting.

- d. Later in the meeting, Ms. King revisited the definition of "Agent" and recommended an amendment to change it to "Lottery Retailer" in Lot 600.01 to keep it consistent with the definition in Lot 1002.1. Motion was made by Commissioner Holloway and seconded by Commissioner Williams. All were in favor and the motion carried.

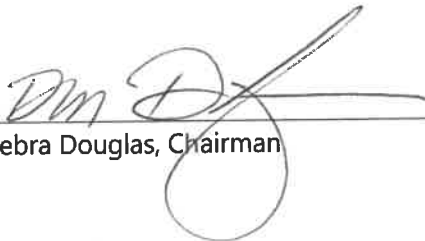
**6. OTHER**

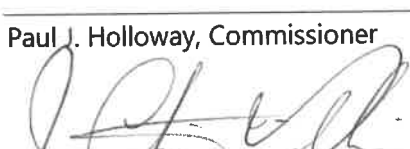
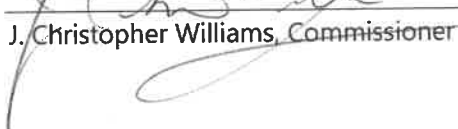
There has been a movement to change the way the State allocates money and do away with the designation of Education Trust Fund. Our funding will still go to Education, but Director McIntyre has asked strenuously that monthly disbursements to jurisdictions should explicitly reference Lottery's support as a defined line item. Commissioner Holloway has made the suggestion to leadership that the State expand funding from K-12 to include scholarships for in-state students in grades 13 and 14. New Hampshire's flagship state colleges are the most expensive in the country with the University of New Hampshire topping the list at over \$18,000 per year. Providing scholarships helps students attend state college and encourages them to stay here after graduation to work.

**7. NEXT MEETING**

The next meeting will be on January 22 at 1:00 p.m. at Lottery headquarters.

Motion to adjourn was made by Commissioner Holloway and seconded by Commissioner Williams at 2:53 p.m. At that time, Director McIntyre presented Commissioner Holloway with a certificate and pin commemorating his 15 years of service to the State.

  
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Debra Douglas, Chairman

Paul J. Holloway, Commissioner  
  
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J. Christopher Williams, Commissioner  


Respectfully submitted, Carmela Nolin