

## New Hampshire Lottery Commission

14 Integra Drive, Concord NH  
Minutes of Commission Meeting  
July 26, 2022 – 10:00 a.m.

### Commissioners:

Debra Douglas, Chairman  
Andy Crews, Commissioner  
Erle Pierce, Commissioner

### Lottery Staff in Attendance:

Charles McIntyre	Kelley-Jaye Cleland	Maura McCann	Valerie King	Bunu Gurung
James Duris	Danny Maloney	John Conforti	Richa Yadav	

### Others in Attendance:

Jodi Grimбилas, SGI	Tom Lacasse, Chasers	Gina Powers, DraftKings
Mike McLaughlin, Arrow	Jackson Bouley, Dennehy & Bouley	Paula Maltman, SGI
Peter Bragdon, CDI	Jeff Newman, GYK Antler	Travis York, GYK Antler

Chairman Douglas called the meeting to order at 10:05 a.m. Public attendance available in person and via Microsoft Teams Meeting.

### 1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

- Chairman Douglas requested a motion to accept the minutes of the June 27, 2022, meeting. Commissioner Crews moved to accept, seconded by Commissioner Pierce. Motion passed 3-0. Minutes accepted and signed.

### 2. FINANCIAL REPORTS

- Chief Financial Officer, James Duris, reported that he did not have June financials completed at this time and provided sales numbers and details on the transfer to the Education Trust Fund. June sales were down \$8.5 million from the same period last year with the bulk of that decrease (\$8.2 million) coming from instant ticket sales. iLottery sales increased slightly \$.3 million while Keno dropped \$1.1 million. All other games were in line with the same period last year.
- For FY22, Lottery sales increased \$9.3 million. Instant ticket sales were down \$6.7 million, however, Keno, Lucky For Life, Powerball and iLottery all saw increases. Mega Millions saw a decrease of \$8.1 million based primarily on a lack of jackpots.
- Sports betting revenue in June saw a handle increase of \$10.5 million over the previous year and double the revenue for mobile. Retail sports betting had a handle of \$12 million and \$409,000 in revenue. For the fiscal year, mobile sports betting produced \$19.7 million and retail betting produced \$3.4 million in revenue, which was an increase of \$6.4 million over the prior year.
- Racing and Gaming numbers for the fiscal year are not complete yet based on the reporting period.
- The regular transfer for the month of June was \$12 million, the second transfer on June 30 was \$11.4 million based on estimates. Year to date transfers is \$145.3 million, which is above the projection of \$128.5 million.

### 3. SPORTS BETTING

- Director of Sports Betting, Danny Maloney, reported that this has been a very strong fiscal year at just under \$24 million in revenue to the state at a hold percentage of 6%. June had a higher-than-expected hold percentage of 9%, due partly to the Celtics defeat in the finals. New Hampshire outperformed the hold for comparative Northeastern states. Retail had a strong bounce back and held at a more traditional rate.

#### 4. COMPLIANCE

- Director of Charitable Gaming, Valerie King, asked the Commission for a motion to submit the Keno rules into rulemaking. Commissioner Crews moved; Commissioner Pierce seconded. Motion passed 3-0.
- Director King requested a motion to adopt Lot 700, Employee Recognition Program. Motion by Commissioner Crews, Second by Commissioner Pierce. Motion passes 3-0.
- Chief Compliance Officer John Conforti provided a report on charitable gaming results over the past 12 months and over the past four years demonstrating the growth of gaming over that time period.
- Chairman Douglas asked about any prospective changes in rent paid by charities. Director McIntyre reported that the legislative study committee was visiting locations and that rent is one of their areas they are inquiry on along with the selection process for charities.

#### 5. SALES AND PRODUCT DEVELOPMENT

- Chief Product and Program Officer, Kelley-Jaye Cleland, provided an overview of the fiscal year. iLottery missed the fiscal year goals that were very aggressive. Overall, iLottery was up about 30% YOY in all key metrics except first time depositors. Our overall portion of the state population that participates in iLottery is at 7% which is healthy when compared to other states.
- Fast Play sales increased 8% over last year. Lottery anticipates launching a new set of games later this year.
- Scratch tickets were down for the first time in eight years; however, this was compared with a historical outlier last year. Compared to two years ago, sales were up 16%. Lottery will be launching a low top prize \$25 ticket in early December and a family of "High Roller" games that will allow cross promotion across channels.
- Keno increased 12% over the previous fiscal year and anticipate further growth next year. Staffing of restaurants continues to be a potential drag on sales.
- The mobile application continues to have strong download and acquisition numbers.
- The Commission discussed the recruitment and retention of Keno retailers. Ms. Cleland requested approval of a recruitment and retention program that will give Keno retailers who apply or renew this fiscal year a one-time credit of \$500. Commissioner Crews moved to accept both programs. Second by Commissioner Pierce. Motion passed 3-0.
- Ms. Cleland introduced the updated LSR incentive program and explained the basis for making the proposed changes. Commissioner Crews commended Ms. Cleland for leading the effort to formulate the program. Ms. Cleland requested a motion to adopt the new incentive program. Commissioner Pierce moved, seconded by Commissioner Crews. Motion passed 3-0.

#### 6. MARKETING

- Director of Marketing, Maura McCann, reported that the dueling jackpots increased attention and that the marketing did a great job of amplifying the jackpots. Commissioner Crews noted that the iLottery first time depositors were the highest he had seen. Ms. McCann confirmed that this was a result of the jackpots and the team's efforts around these jackpot runs.
- New jackpot alerts have been filmed with rough cuts expected soon for review.
- Lottery had a successful promotional event at New Hampshire Motor Speedway. Commissioner Pierce presented with Governor Sununu and Bubba Wallace. Lottery also has ongoing promotions at the Fisher Cats with QR codes to promote sports betting. The annual promotional event at New England Dragway will take place at the end of July.
- We participated in Lottery Week in our social media channels which provides near nationwide promotion of the good causes supported by state lotteries.
- We had significant social media engagement related to a \$1 million Mega Millions winner who had traveled from Colorado for the NASCAR race and bought tickets based on the jackpot amount as advertised on a radio station out of Nashville, Tennessee.


- We will be approving new signage for the building shortly.

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**7. NEXT MEETINGS**

The next two meetings have been scheduled and will be on August 23, 2022, at 2:00 p.m. and September 22, 2022, at 10 a.m. at Lottery Headquarters.

Motion to adjourn by Commissioner Crews, Seconded by Commissioner Pierce. Motion passed 3-0. Meeting adjourned at 11:06 a.m.



Debra Douglas, Chairman



Andy Crews, Commissioner



Erle Pierce, Commissioner