



To: Representative Steve Dargan, Chair, Public Safety Committee
Senator Joan Hartley, Chair, Public Safety Committee
Representative Jan Giegler, Ranking Member, Public Safety Committee
Senator Tony Guglielmo, Ranking Member, Public Safety Committee
& other distinguished members of the Public Safety Committee

From: Anne Noble, President and CEO, Connecticut Lottery Corporation (CLC)
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Re: Concerns with SB 546: AAC Notification of Lottery Winners

Date: February 3, 2011

We appreciate the opportunity to provide written testimony regarding SB 546: AAC Notification of Lottery Winners. This bill would require the CT Lottery Corporation (CLC) to publish and broadcast on television the date and place of the sale of winning lottery tickets fourteen days prior to their expiration. The CLC opposes this bill because the CLC already has extensive programs in place to notify players of prize claim expiration dates and expiring jackpots and because the quantity of unclaimed jackpot prizes is very low.

As drafted, we believe this bill is unnecessary¹ and the bill would negatively impact the CLC's transfers to the General Fund. On an average day, there are 10,000 or more winning tickets with prizes ranging from one dollar to millions of dollars. It would be immensely impractical and costly to publish and broadcast every expiration date and every single individual unclaimed prize. Moreover, 98% of lottery prizes are claimed. Indeed, in over twenty five years, there have been more than eleven hundred jackpot winners and only twelve large jackpot prizes² have expired. Only one such large jackpot prize has expired in the last twelve years. These statistics for large jackpots prizes establish that players are well informed about expiration dates

The CLC agrees that notification to players of expiration dates and expiring jackpot prizes is of paramount importance. For that reason, the CLC currently utilizes a wide

¹ Conn Agency Reg 12-568a-17(g) states "The CLC shall provide the public adequate advance notice of all-expiring jackpot and grand prize winning tickets. The CLC shall utilize broadcast media, and shall publish in at least two newspapers having substantial circulation in the state, that the winning ticket holders must claim by a certain date to be eligible for payment."

² This includes Powerball, Mega Millions, Classic Lotto and Lucky for Life games.

range of communication methods to disseminate “Last Day to Claim” information and expiring jackpot prizes. Notice to the public includes: public notices in print media³, press releases, detailed website information, terminal messages, retailer reports and telephonic voice response messaging. When expiration periods apply to large jackpot prizes, the CLC makes extraordinary efforts to notify the public about the unclaimed prize beyond the methods noted above. For a period of thirty days before expiration, repeated notices are posted in newspapers. Notably, in 2007, the CLC was commended by the National Association of State and Provincial Lotteries (NASPL) for one of our campaigns in regards to unclaimed prizes. Our dedication to getting the message out about unclaimed prizes is a service to our loyal players that we take seriously. Not only do we aim for the highest level of customer satisfaction and fairness, but winner publicity assists us in generating additional sales. We share our players’ desire to have prizes claimed and work towards that goal in a fiscally prudent manner.

Because notice and consumer protection is paramount, we believe that it is critically important for players to know the prize redemption rules *at the time of purchase*. Therefore, we compliment our notification campaigns on expiration dates with a very clear explanation of applicable rules on our products. Currently, winning “draw game” tickets (Powerball, Mega Millions, Classic Lotto, Lucky-4-Life, Super Draw, Cash5 and Play3 and Play4) expire 180 days from the date of the drawing. This is printed clearly and prominently on the back of each ticket. In addition, instant tickets (commonly called “scratch tickets”) expire 180 days from the announced “End of Game” date for games numbered 1001 and up. Games numbered below 1001 are governed by the previous 365-day prize claim policy period.⁴ The expiration information is clearly posted on the back of every ticket. Furthermore, the 180 day expiration rule is also posted on point-of-sale, pay-out cards, collateral materials, TV scrolls for every drawing, our website and our voice response system.

Finally, the CLC does NOT recommend publicly posting the location of the purchase of winning tickets as such publication will compromise our ability to continue to protect consumers with our Lost Ticket Claim policy. To prevent fraud and preserve the integrity of a lost ticket claim, the Lost Ticket Policy precludes the CLC from disclosing the location of winning tickets until after winning tickets are claimed. This Policy is in place in an effort to allow players who have lost a winning ticket to collect on that ticket when they can establish a basis to award the prize. This bill could jeopardize the ongoing viability of that Policy.

Thank you for your time and attention to this issue and please do not hesitate to contact me directly if you have any questions.

³ Notices are placed in the *Hartford Courant*, the *CT Post* and the *New Haven Register* upon the establishment of a game’s “End Date” in order to alert the public that they have 180 days to claim the prize.

⁴ In 2009 we moved from a 365 day claim policy period to a 180 policy claim period to encourage winners to claim their prizes earlier. This has led to fewer unclaimed prizes and quicker transfers to the General Fund.