



## **QUARTERLY REPORT ON THE PRIVATE MANAGEMENT AGREEMENT**

*Quarter 1 (July 1, 2017 – September 30, 2017)*

*Submitted January 23, 2018*

*(20 ILCS 1605/9.1)*

*Respectfully submitted to:*

**Illinois Governor Bruce Rauner**

**Senate President John J. Cullerton**

**Senate Republican Leader William E. Brady**

**House Speaker Michael J. Madigan**

**House Republican Leader Jim Durkin**

## **The Illinois Lottery – Private Management Current Status**

The Lottery, Northstar Lottery Group, LLC (“Northstar”), GTECH (IGT), and Scientific Games International entered into a Letter Agreement of Termination on September 18, 2015. Northstar and its key suppliers continued to provide lottery services until a replacement manager and its suppliers were in place.

In compliance with the Illinois Lottery Law, Governor Rauner and the Illinois Lottery on July 28, 2016, announced the release of a Request for Proposal (“RFP”) for a new private management partner. The replacement manager will share the Lottery’s goals of increasing profits to the State, responsibly broadening its player base, introducing new technology and innovation, and ensuring responsiveness to public needs and concerns.

The Lottery received one RFP response from Camelot Illinois, and held a public hearing on Camelot’s bid on Aug. 14, 2017, in Chicago. The Lottery awarded Camelot the private management contract through a Notice of Award published Sept. 22, 2017.

As of January 2018, the transition from Northstar to Camelot as private manager is complete.

## **Overall Sales and Transfers to Good Causes**

Below are the FY18 Quarter 1 sales and transfers to good causes:

<b>FY18</b>	<b>Sales</b>	<b>Transfers to Common School Fund</b>	<b>Transfers to Special Causes</b>
Q1	\$720 million	\$153,410,000	\$436,654
Q2			
Q3			
Q4			
Total	\$720 million	\$153,410,000	\$436,654

<b>Specialty Ticket Name</b>	<b>FY18 Transfers</b>
Veterans Cash	\$35,231
Ticket for the Cure	\$11,538
The MS Project	\$43,054
Red Ribbon Cash	\$315,595
Special Olympics	\$31,236

### **iLottery Program**

PA 98-499 authorized the Lottery to sell Lotto, Mega Millions, and Powerball tickets on the internet, through a 48-month pilot program that began in January 2014. In June 2016, the Illinois Legislature removed the “pilot” designation from the iLottery program, and included a sunset of July 1, 2017. That sunset date was extended to July 1, 2018, under PA 100-0023.

<b>FY18</b>	<b>Internet Sales</b>
Q1	\$6.6 million
Q2	
Q3	
Q4	
Total	\$6.6 million

### **Responsible Gaming**

The Illinois Lottery is proud to engage in a responsible gaming program to ensure revenues are raised in a socially responsible manner. In Quarter 1, the Lottery placed print and digital advertising throughout the State with the message: “You’re a Winner?! Well, Then We Must Have Your Autograph,” reminding players that the first step to claiming a prize is signing the back of their winning ticket.

The Illinois Lottery maintains membership and support of the Illinois Alliance on Problem Gambling, National Council on Problem Gambling, and the World Lottery Association. The Lottery’s commitment to responsible gaming also includes providing funds for the Gambling Hotline (1-800-GAMBLER).