

**Legislative Budget and Finance Committee**

**The Impact of Slots Gaming on the Pennsylvania State Lottery**

**Report Presentation by Philip Durgin, at February 24, 2015, Meeting**

Act 71 of 2004 called for our Committee to release an annual report on the impact of slots gaming on the State Lottery. This is the Committee's tenth report under that mandate, and as you can see, over the years we have streamlined it down to a three-page memorandum report.

Pennsylvania now has 12 casinos operating throughout the state, all of which offer both slots gaming and table games. Despite the rapid growth in gaming during the initial years, Lottery sales managed to remain largely stable at about \$3.1 billion annually. And in recent years, Lottery sales have seen substantial growth, with sales increasing 5.3 percent in 2011, 9.9 percent in 2012, and 4.4 percent in 2013, before falling slightly (-0.6%) in 2014.

The overall impressive growth of Lottery sales over the past four years suggests that Pennsylvania's casinos are not negatively affecting Lottery sales, or at least not to any significant degree.