

Testimony of Charlie McIntyre, Executive Director New Hampshire Lottery

Good morning Chair Roegner, Vice-Chair McColley, and Ranking Member Craig and the other member of the Government Oversight and Reform Committee, my name is Charlie McIntyre and I have the privilege of being the executive director of the New Hampshire Lottery. It is a post I have held for almost 12 years. Prior to that, I was the Assistant Executive Director – General Counsel - for the Massachusetts Lottery. I started my career as an organized crime prosecutor, with a specialty in electronic surveillance.

New Hampshire was the first state to have a modern lottery, passed in 1963 and we have raised over \$2 billion for education since that time. Last year alone, we transferred over \$144 million to fund K-12 education to the citizens of our state. Not bad for a state with only slightly more than a million people.

All gambling in NH is overseen by our lottery, and we have undergone some recent expansions. The past few years have seen the state adopt Keno, sports betting and the reason we are here today – internet lottery – often called iLottery. We launched in September of 2018, so it was during our 2019 fiscal year. There were a number of concerns, probably the same ones you folks are wrestling with: such as problem gambling or a possible adverse impact on bricks and mortar stores.

To address problem gambling, technology allows us to place tools at the hands of the player – the accounts all have preset daily, weekly and monthly spending limits that can be adjusted lower by the players, but

cannot be raised. There is also a function that allows players to exclude themselves from access – and hundreds have. As the funding source for the NH Council on Problem Gaming, we take the responsibility to address that issue seriously.

As you can imagine, the bricks and mortar stores have been our lifeblood for over five decades. When the NH legislature passed iLottery, we made sure the retail network would not be harmed – in any way. We worked closely with our grocers association to make the transition go well for the retail network, and insure their continued business success. To put that into dollars and cents form – in Fiscal year 2018, the year before iLottery was introduced, the retailers earned \$19.9 million in commissions; in FY 2021 (our record year) they earned \$32.1 million. We are on pace to exceed that number this year – In FY 2018 we were one of the top ten lotteries in instant ticket sales, we still are one of the top ten lotteries in instant ticket sales.

Since our launch our iLottery growth has gone from \$4.5 million, in FY 19 to FY 2021 it was \$23.7 million, all money that goes to fund education in NH. It's part of the reason New Hampshire has neither an income tax nor a sales tax.

I thank you for time, and I'm happy to answer any questions you may have.