

Budget Unit Brief

FY 2017



Lottery Authority

Purpose and History

The [Iowa Lottery Authority](#) was first created during the 2003 Legislative Session with the enactment of [Senate File 453](#) (State and Local Government Financial and Regulatory Matter – Miscellaneous Provision Act). The duties and responsibilities of the Authority are specified in Iowa Code chapter [99G](#).

The Authority develops and implements strategies to increase gross revenue and develops and implements controls to increase net revenue. This includes managing activities affecting the entire Lottery, such as personnel and budget matters, training new staff, accounting and data processing, purchasing technology and supplies, and providing other various services. In addition, the Authority also sets Lottery goals and objectives and makes final determination on games, prizes, and marketing programs in order to uphold the Lottery's current practices.

The Authority also prioritizes the modernization of the Lottery's various products, including scratch tickets. The Authority is responsible for developing, marketing, and implementing Lottery products to encourage sales. This includes developing advertising strategies and campaigns, promotional programs developing and maintaining a motivated and trained sales force, product development through researching consumer needs and preferences, and maintaining a network of retailers to sell Lottery products. Through the five regional sales offices, the Authority directs and coordinates the activities of the staff in the assigned region so that promotion, information, product, and procedure needs of the designated geographic region can be met in an efficient, proper, and timely manner. The Authority also tracks the volume of ticket sales and reviews statistical reports of regional data and sales trends to achieve optimum sales. [House File 2146](#), enacted in March 2016, authorized the Authority to purchase new self-service kiosks to dispense lottery tickets and related products.

Finally, the Authority holds player and retailer integrity as a priority in its operations. The Authority designs and implements security policies and procedures affecting computer systems, facilities, and Lottery and vendor personnel, and provides product control.

Funding

Lottery revenues are used for salaries, support, maintenance, and miscellaneous purposes for the administration and operation of lottery games. The Lottery Fund budget for the Iowa Lottery Authority is prepared in accordance with [SF 453](#) and does not require any action on the part of the Iowa General Assembly. Beginning FY 2006, Lottery Operations are included in the overall budget for the Lottery Fund.

For FY 2017, the Authority estimates proceed transfers of approximately \$67.0 million to the State General Fund and an additional \$2.5 million to the Veterans Trust Fund.

Related Statutes and Administrative Rules

Iowa Code chapter [99G](#)
[531](#) Iowa Administrative Code

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More Information

Iowa Lottery Authority: <http://www.ialottery.com/default1.asp>

Iowa General Assembly: <https://www.legis.iowa.gov/>

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