

AGENCY PROGRAM DESCRIPTIONS

Expanded Lottery: Expanded Lottery

Subprogram History

The 2007 Legislature passed Senate Bill 66, the Kansas Expanded Lottery Act. The Act also allows for the Lottery, upon county voter approval, to operate lottery gaming facilities in four specific gaming zones. Casino gaming operations in the Southwest gaming zone (Boot Hill in Dodge City) commenced in December 2009. Casino gaming operations in the South Central gaming zone (Kansas Star in Mulvane) commenced on December 20, 2011. Casino gaming operations in the northeast gaming zone (Hollywood Casino in Kansas City) commenced on February 3, 2012. Casino gaming operations in the South East gaming zone (Kansas Crossing in Pittsburg) commenced on March 29, 2017.

Consequences of Not Funding This Subprogram

The Lottery was established by statute and revenues from state operated casino gaming funds a number of state and local programs. Failure to adequately fund the program would lead to a decrease in available revenues for the state and local governments.

Statutory Basis

KSA 74-8701 through 74-8780.

Mandatory/Discretionary	MOE/Match Requirement	Program Priority	Subprogram Priority
Mandatory	No	1	1

Traditional Lottery: Traditional Lottery

Subprogram History

In November 1986, a constitutional amendment was approved by the Kansas voters authorizing a State Lottery. During the 1987 Legislative session, the State Legislature adopted the Lottery Act (the Act), and created the Kansas Lottery (the Lottery) as an independent component unit of the State of Kansas to operate lottery games. The Lottery was organized on March 19, 1987 and commenced administrative operations on May 21, 1987 but was strictly in the development stage through fiscal year 1987. Instant win tickets games began November 12, 1987. On February 2, 1988, the Lottery began participating in Lotto America, a multi-state draw game now called Powerball. In the current year, the Lottery offered several multi-state draw games (Powerball, Mega Millions, Lucky for Life, 2 by 2, and the new Lotto America), Kansas only draw games (Keno, Pick 3, Super Kansas Cash, Holiday Raffle and Racetrax) and instant scratch and pull-tab games.

Consequences of Not Funding This Subprogram

The Lottery was established by statute and revenues from lottery sales fund a number of state programs. Failure to adequately fund the program would lead to a decrease in available revenues for the state.

Statutory Basis

KSA 74-8701 through 74-8780.

Mandatory/Discretionary	MOE/Match Requirement	Program Priority	Subprogram Priority
Mandatory	No	1	1

Subprograms Without Narrative Data

AGENCY PERFORMANCE MEASURES

			2022 Actuals	2023 Actuals
Expanded Lottery: Expanded Lottery				
Goal	Type	Measure		
Maintain public confidence in all casino gaming, and provide services that meet or exceed the expectations of the Kansas citizenry.	Outcome	Amounts captured for Setoff program	\$3,201,788.40	\$2,771,889.13
		Transfers PGAGF	\$8,019,456.00	\$8,142,115.00
		Transfers to City and County Gov't	\$12,029,183.00	\$12,213,171.00
		Transfers to ELARF	\$88,214,021.00	\$89,563,258.00
Produce the greatest amount of revenue possible for the State of Kansas while ensuring the integrity of all games.	Outcome	Amounts captured for Setoff program	\$3,201,788.40	\$2,771,889.13
		Transfers PGAGF	\$8,019,456.00	\$8,142,115.00
		Transfers to City and County Gov't	\$12,029,183.00	\$12,213,171.00
		Transfers to ELARF	\$88,214,021.00	\$89,563,258.00
Traditional Lottery: Traditional Lottery				
Goal	Type	Measure		
	Outcome	PlayOn: Percent increase in members (See Footnote 1)	7.00%	-0.19
		Vending machines in service (See Footnote 2)	196	327
Maintain public confidence in all lottery products, and provide services that meet or exceed the expectations of the Kansas citizenry.	Outcome	Amounts captured for Setoff program	\$3,201,788.40	\$287,127.51
		Commissions earned by retailers	18,402,762	19,758,825
		PlayOn: Average monthly engagement	24.00%	26.00%
		PlayOn: Increase in tickets entered	1.00%	8.00%
		Prizes paid to players	191,473,867	205,014,371
		Sales	\$312,985,036.00	\$338,199,453.00
		State of Kansas Withholding	\$946,084.70	\$3,327,474.90
		Transfers for Mental Health (Vending)	\$7,418,897.00	\$9,000,000.00
		Transfers to SGRF/SGF	\$71,475,762.00	\$74,816,074.00

			2022 Actuals	2023 Actuals
Maintain public confidence in all lottery products, and provide services that meet or exceed the expectations of the Kansas citizenry.	Outcome	Transfers to Veterans' programs	\$1,260,000.00	\$1,260,000.00
Produce the greatest amount of revenue possible for the State of Kansas while ensuring the integrity of all games.	Outcome	Amounts captured for Setoff program	\$3,201,788.40	\$287,127.51
		Commissions earned by retailers	18,402,762	19,758,825
		PlayOn: Average monthly engagement	24.00%	26.00%
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		Transfers to SGRF/SGF	\$71,475,762.00	\$74,816,074.00
		Transfers to Veterans' programs	\$1,260,000.00	\$1,260,000.00

Footnotes

- Footnote 1: In FY 2022, the Lottery began the process of removing dormant PlayOn accounts. This includes accounts that were never activated, accounts transferred from previous Players Club program that never engaged, deactivated duplicate accounts, and accounts with no activity within the last 15 months. This accounted for a decrease of approximately 146,000 total members in February 2022.
- Footnote 2: With the FY 2021 budget appropriation, the Lottery initiated purchase of 72 machines that were hoped to be placed in service late in FY 2022. Due to supply chain issues, those machines were just starting to be placed in August 2022. Similarly, 72 machines purchased using the FY 2022 budget appropriation are expected to arrive late in FY 2023.