



**WISCONSIN LEGISLATIVE AUDIT BUREAU  
AUDIT SUMMARY**

Report 99-14

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September 1999

**Wisconsin Lottery, Department of Revenue**

We have completed our fifth biennial program evaluation of the Wisconsin Lottery, as required by s. 13.94(1)(em), Wis. Stats. Since the Wisconsin Lottery began operations in September 1988, it has been under the management of three state agencies: the Lottery Board, the Gaming Commission, and, since August 1995, the Department of Revenue.

From the Lottery's inception through fiscal year (FY) 1998-99, ticket sales have provided approximately \$1.5 billion in net proceeds for property tax relief. However, from FY 1994-95 through FY 1997-98, ticket sales declined by \$100.4 million. Sales increased by \$9.8 million, or 2.3 percent, during FY 1998-99, but it is not clear that the previous decline in sales has been permanently reversed.

In response to declining ticket sales, the 1997-99 Biennial Budget Act provided the Department with 18 additional marketing positions and authorized 12 telemarketing sales representative positions to be reclassified to improve retailer support. However, not all of the positions granted by the Legislature have been filled in a timely manner, and the number of retailers selling lottery tickets has continued to decline.

Nationwide, lottery sales in states with lotteries have tended to decline over time. The Department's efforts to increase sales have emphasized frequent introductions of new scratch games. For example, during a one-year period we reviewed, 35 new scratch games were introduced and 39 older games were also offered for sale. Our analysis of sales data confirmed that the new games sell significantly better than older games do.

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[full report, PDF file \(180KB\)](#)