

## PRESS RELEASE

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## California Public Schools Score Big as Lottery Sales Reach a Record \$8.4 Billion

Education Receives Nearly \$2 billion in Supplemental Funding

**SACRAMENTO** – Despite major obstacles due to the pandemic, unaudited figures reveal the California Lottery earned a record **\$8.4 billion** during Fiscal Year 2020-21. It's the very first time in its 37-year history that the Lottery has cracked the once illusive \$8 billion sales mark.

Most importantly, the record sales generated an estimated **\$1.86 billion** in supplemental funding for the more than 1,000 public school districts throughout the Golden State. The rebound in sales can be attributed to several major factors – not the least of which is a significant number of the Lottery's 23,000 retailers were closed during the state's pandemic-related shutdown earlier in 2020. Most have reopened, once again allowing players access to games.

"One of the biggest reasons for these significant gains was the fact that we were able to resolve distribution challenges that stunted sales last fiscal year. Specifically, the need to follow social distancing protocols essentially halved the number of workstations our warehouse workers could use to ship to our retailers," California Lottery Chief Financial Officer Nicholas Buchen said.

In the early stages of the pandemic, the Lottery also significantly reduced the number of new games that were released, suspended most marketing activities, and pulled field staff during the stay-at-home orders, which California enacted earlier than some other states.

"We also think our core Scratchers players may have spent more on Lottery games since other fun activities were off limits during much of the pandemic," Buchen added. The Lottery also achieved an all-time high of \$6.4 billion in Scratchers sales, which accounted for 76 percent of the overall record sales figure. The previous California Lottery overall sales record of nearly \$7.4 billion was set back in Fiscal Year 2018-19 which was, of course, before COVID-19.

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The California Lottery's mission is to provide supplemental funding to California public schools, including kindergarten and grades 1-12, community colleges, the California State University, the University of California, and other California public educational entities. The funds the Lottery transferred to public education totaled more than \$1.8 billion for fiscal year 2020-21, which amounted to a modest percentage of education's overall budget. However, this funding is largely nondiscretionary, meaning schools can use this for important, yet unfunded instructional programs they would otherwise not afford. During the same period, the Lottery generated almost \$8.4 billion in sales, more than 95% of which went back to the community in the form of prize payments, retailer commissions and bonuses, and contributions to education. As jackpots rise, the California Lottery would like to remind players that gambling should be fun. Borrowing money to play, spending above a person's budget or using money intended for other purposes can ultimately lead to significant problems for players and their families. If a player recognizes that they have a gambling problem or if someone knows of someone who may have a problem, the Lottery recommends calling the California Problem Gambling Help Line at 1-800-GAMBLER.

www.calottery.com