Demographic Survey of Texas Lottery Players 2007

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Center for PUBLIC POLICY

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EXECUTIVE SUMMARY

The Texas Lottery Commission 2007 Demographic Study of Texas Lottery Players surveyed 1,702 Texas citizens between mid-September and early October of 2007. Thirty-eight percent of survey respondents participated in Texas Lottery games in the past year, a decrease of seven percentage points from the 2006 survey and 13 percentage points from the 2005 survey. Reported participation has generally declined over time. As with the 2006 survey, there is a statistically significant difference in participation due to income and employment status (please see Table 1). General participation findings broken down by education, race, Hispanic origin, and age are not statistically significant. However, participation rates among demographic groups can vary by the type of game played.

Highlights

If we examine the findings using ***lottery district*** as the unit of analysis, we find the following results for participation rates and personal expenditures:

- Participation rates in any Texas Lottery games were highest in the McAllen (51.3 percent), Irving (41.9 percent), and Austin (41.6 percent) lottery districts (see Table 3). The lowest rates were seen in the Lubbock (32.1 percent) and El Paso (30.2 percent) districts.

- In this sample the lottery districts demonstrating the highest average monthly amount spent per player were Lubbock ($74.25) and San Antonio ($36.08). The lowest average monthly amount spent per player was found in the Victoria ($10.85 mean) and McAllen ($14.89) districts.

- A brief summary of game results follows:

  Pick 3 Day: Over seventeen percent (17.6%) of respondents playing any lottery game in the past year played Pick 3 Day. Thirty-seven percent of the respondents that purchased Pick 3 Day tickets purchased them at least once a week. Twenty-three percent purchased tickets at least once a month, and 40% purchased Pick 3 Day tickets a few times a year.

  Pick 3 Night: Slightly over eleven percent (11.2%) of respondents playing any lottery game in the past year played Pick 3 Night. Fifty-two percent of the respondents that purchased Pick 3 Night tickets purchased them at least once a week. Sixteen percent purchased tickets at least once a month, and 32% purchased Pick 3 Night tickets a few times a year.

  Cash 5: Nearly twenty-two percent (21.7%) of respondents playing any lottery game in the past year were playing Cash 5. Thirty-one percent of the respondents that purchased Cash 5 tickets purchased them at least once a week. Twenty-nine percent purchased tickets at least once a month, and 40% purchased Cash 5 tickets a few times a year.

Lotto Texas: Approximately 85 percent of respondents playing any lottery game in the past year were playing Lotto Texas. Over one-third (34.6%) of the respondents that purchased Lotto Texas tickets purchased them at least once a week. Approximately thirty percent purchased tickets at least once a month, and 35.5% purchased Lotto Texas tickets a few times a year.

Texas Lottery Scratch Off Tickets: Almost half of respondents (48.9%) of respondents playing any lottery game in the past year played Texas Lottery Scratch Off Tickets. Slightly more than 34% of the respondents that purchased Texas Lottery Scratch Off tickets purchased them at least once a week. Close to thirty-two percent (31.7%) purchased tickets at least once a month, and 33.5% purchased tickets a few times a year.

Texas Two Step: Ten percent of respondents playing any lottery game in the past year played Texas Two Step. One-third (33.3%) of Texas Two Step players purchased tickets at least once a week and over 28% purchased tickets at least once a month, and 37.9% purchased tickets a few times a year.

Mega Millions: Forty-four percent of respondents playing any lottery game in the past year reported playing Mega Millions. Thirty percent of the respondents that purchased Mega Millions tickets bought them at least once a week, 28% purchased tickets at least once a month, and 43% purchased tickets a few times a year.

Megaplier: Nearly thirteen percent (12.84%) of respondents playing any lottery game in the past year played Megaplier. Thirty-two percent of Megaplier players purchased tickets at least once a week, 21.5% purchased tickets at least once a month, and approximately 46% purchased tickets a few times a year.

New Feature

In addition to the basic results that ensure continuity of information and presentation of prior studies, one new feature is added to this study:

- **Cell Phone Users compared to Landline Users**: There is a growing concern that the rise of cell phones can introduce an element of bias in the sample of telephone surveys. We find that the cell phone respondents are not appreciably different than the landline respondents in education, income, and race and ethnicity. There are differences in participation rates and gender. Cell phone users in this sample participated at a slightly higher rate (45% v. 38%) and are more likely to be male.

I. INTRODUCTION AND METHOD OF ANALYSIS

A random survey of adult Texas residents was conducted during September/October 2007. The objectives were to measure the citizen participation rates, the distribution and frequency of play, and the demographic profiles of the past-year players and the non-players.

On behalf of the Texas Lottery Commission, the data collection and analysis was prepared under the auspices of the University of Houston Center for Public Policy (CPP) (www.uh.edu/cpp). The individuals who worked on this study are listed in alphabetical order:

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Random digit dialing (RDD) was the sampling method used because it offers the best coverage of active telephone numbers and because it reduces sample bias.

The RDD method ensures the following:

- The conceptual frame and sampling frame match;
- The sample includes unlisted telephone numbers;
- The sampling frame is current, thus maximizing the probability that new residents are included; and
- There is comparability between land line surveys and surveys of cell phone users.

The Center for Public Policy's Survey Research Institute (SRI) (www.uh.edu/cpp/sri.htm) completed 1,702 usable interviews which yielded a margin of error of +/- 2.4 percent at the 95 percent confidence level. The data for the survey were collected between September 12 and October 3, 2007. Note that in some cases, the subset samples will be small and this can create high volatility in some results in those categories. The subset proportions are an approximation of the overall population; however, the relatively small size of subsets can allow for outliers to "bias" results when using the mean. We alert the reader to the influence of outliers throughout the report.

The standard SRI survey administration and management protocols include:

- The use of trained telephone interviewers to conduct the survey.
- Each interviewer completes intensive general training. The purposes of general training are to ensure that interviewers understand and practice all of the basic skills needed to conduct interviews and that they are knowledgeable about standard interviewing conventions.

- Following the usual administration and management protocols, the interviewers also participate in a specific training session for the project.
- Interviewers practice administering the survey to become familiar with the questions.

The Texas Lottery Commission provided a survey instrument designed to collect demographic data on adult Texans. The survey included past-year players and non-players and measured lottery participation rates, the frequency of lottery participation, and lottery spending patterns. The survey instrument used by the CPP was consistent with those used in previous years.

The major change from prior surveys is the addition of cell phone users as part of the overall sample. Previous annual studies of lottery players and non-players in Texas have utilized the standard methodology for conducting random digit dial (RDD) surveys. This entails calling residential telephone numbers (landlines) randomly selected from a list of working numbers in homes that are not business lines. Because RDD sampling includes *unlisted* residential numbers, it is considered superior to methods that rely on published telephone numbers in generating samples. However, with the rapid increase in cell phone usage, traditional RDD sampling has been increasingly questioned because more and more individuals are exclusive users of cellular phones and therefore are excluded from RDD surveys that rely on traditional methods. With estimates of non-landline phone users now ranging between 8 and 13 percent, sample bias in standard RDD polling is a major issue in the field.

To address this potential problem, Survey Sampling Inc., the largest RDD sample vendor in the United States, has recently begun selling cell phone samples to supplement traditional sets of numbers. The UH Center for Public Policy Survey Center took advantage of this new capacity and bought a cell phone sub-sample of numbers for the 2007 Texas Lottery Study in addition to the standard statewide RDD sample. The data included in this report are based on 1528 completed interviews on standard landlines and 174 completed interviews (10.2%) from the cell phone sample. This combination, in our judgment, improves the quality of the overall data by including individuals who might be excluded using traditional sampling methods.

II. SAMPLE CHARACTERISTICS[1]

Selected questions regarding each lottery game were cross-tabulated with the following six demographic categories:

- Income
- Employment status
- Years of education
- Age of respondent
- Gender of respondent
- Race/ethnicity of respondent

In the social sciences, the variability in distribution of outcomes is common. At various points in this analysis, we will test to determine whether changes or differences between categories or groups are due to random chance. Traditional tests for statistical "significance" are used to test for differences between past-year players and non-players or for differences between past-year players (by demographic category).[2]

[1] Note that discrepancies between total sample size and various variables are due to respondents either refusing to answer or saying they did not know. Consider the "Income" variable. We have a reduction in the total sample (who report their income) from 1702 to 1265. The cell percentage for the column with the full sample has the denominator 1265 and not 1702. Consequently, the percentage of the adjusted "full" sample containing respondents earning less than $12,000 is 105/1265 or 8.3 percent as opposed to 105/1702 or 6.2 percent.

[2] We use standard t-tests on the "equality of means." Note also that discussions of statistical "significance" reflect classical statistical (or "frequentist") tradition. The "level" of statistical significance (denoted by a p-value) tells us the probability that what was observed differs from the null hypothesis (of no relation or no difference). In the classical tradition a p-value of .05 indicates that in, say, 100 repeated samples, the value realized would fall within a given interval 95 out of 100 samples. To extend this further, a p-value of .001 means that the result would fall within a pre-specified interval in over 99 out of 100 samples. The closer the p-value is to zero the stronger the finding.

Table 1
Demographics: Summary for Income, Employment, and Home Ownership

Demographic Factors	Number and Percentage Responding		
	All (n=1,702)	**Past-Year Players** (n=653)	**Non-Players** (n=1,044)
Income (n=1,265)***[3]			
Less than $12,000	**105 (8.30%)**	**30 (5.91%)**	**75 (9.91%)**
Between $12,000 and $19,999	**118 (9.33%)**	**39 (7.68%)**	**79 (10.44%)**
Between $20,000 and $29,999	**167 (13.20%)**	**65 (12.80%)**	**102 (13.47%)**
Between $30,000 and $39,999	**152 (12.02%)**	**61 (12.01%)**	**91 (12.02%)**
Between $40,000 and $49,999	**133 (10.51%)**	**49 (9.65%)**	**84 (11.10%)**
Between $50,000 and $59,999	**123 (9.72%)**	**53 (10.43%)**	**70 (9.25%)**
Between $60,000 and $74,999	**124 (9.80%)**	**54 (10.63%)**	**70 (9.25%)**
Between $75,000 and $100,000	**134 (10.59%)**	**67 (13.19%)**	**67 (8.85%)**
Over $100,000	**209 (16.52%)**	**90 (17.72%)**	**119 (15.72%)**
Employment Status (n=1,690)***[4]			
Employed Full-time	**782 (46.27%)**	**370 (56.75%)**	**412 (39.69%)**
Employed Part-time	**123 (7.28%)**	**39 (5.89%)**	**84 (8.090%)**
Unemployed and Looking for Work	**140 (8.28%)**	**24 (3.68%)**	**116 (11.18%)**
Not in Labor Force	**118 (6.98%)**	**44 (6.75%)**	**74 (7.13%)**
Retired	**527 (31.18%)**	**175 (26.84%)**	**352 (33.91%)**
Own or Rent Home (n=1,684)			
Own	**1,317 (78.21%)**	**525 (80.89%)**	**792 (76.52%)**
Rent	**320 (19.00%)**	**113 (17.41%)**	**207 (20.00%)**
Occupied without Payment	**47 (2.79%)**	**11 (1.69%)**	**36 (3.48%)**

[3] There was a significant difference between players and non-players at the $p < 0.001$ level for distribution of income levels. In other words, the p-value indicates that only one time in 1,000 would different income distributions likely occur for players and non-players if this survey were repeated 1,000 times.

[4] There was a significant difference between players and non-players at the $p < 0.001$ level for distribution of employment status.

Table 1 (continued)
Demographics: Summary for Age, Marital Status, Children, Gender, and Race

Demographic Factors	Number and Percentage Responding		
	All (n=1,702)	Past-Year Players (n=653)	Non-Players (n=1,044)
Age of Respondent (n=1,621)			
18 to 24	100 (6.17%)	17 (2.70%)	83 (8.37%)
25 to 34	196 (12.09%)	70 (11.13%)	126 (12.70%)
35 to 44	254 (15.67%)	106 (16.85%)	148 (14.92%)
45 to 54	314 (19.37%)	145 (23.50%)	169 (17.04%)
55 to 64	334 (20.60%)	155 (24.64%)	179 (18.04%)
65 and over	423 (26.10%)	136 (21.62%)	287 (28.93%)
Marital Status (n=1,680)			
Married	1,019 (60.65%)	414 (64.29%)	605 (58.40%)
Widowed	198 (11.79%)	61 (9.47%)	137 (13.22%)
Divorced	187 (11.13%)	79 (12.27%)	108 (10.42%)
Separated	35 (2.08%)	16 (2.48%)	19 (1.83%)
Never Married	241 (14.35%)	74 (11.49%)	167 (16.12%)
Children under 18 Living in Household (n=1,690)			
Yes	554 (32.78%)	208 (32.00%)	346 (33.27%)
No	1,136 (67.22%)	442 (68.00%)	694 (66.73%)
Number of Children under 18 Living in Household (n=554)			
1	213 (38.45%)	77 (37.02%)	136 (39.31%)
2	178 (32.13%)	72 (34.62%)	106 (30.64%)
3	109 (19.68%)	38 (18.27%)	71 (20.52%)
4 or more	54 (9.75%)	21 (10.10%)	33 (9.54%)
Gender of Respondent (n=1,697)			
Female	942 (55.51%)	340 (52.07%)	602 (57.66%)
Male	755 (44.49%)	313 (47.93%)	442 (42.34%)
Race (n=1,675)			
White	1,121 (66.93%)	425 (65.79%)	696 (67.64%)
Black	216 (12.90%)	86 (13.31%)	130 (12.63%)
Asian	27 (1.61%)	10 (1.55%)	17 (1.65%)
Native American Indian	17 (1.01%)	7 (1.08%)	10 (0.97%)
Other	294 (17.55%)	118 (18.27%)	176 (17.10%)
Hispanic Origin (n=1,673)			
Yes	308 (18.41%)	120 (18.69%)	188 (18.23%)
No	1,365 (81.59%)	522 (81.31%)	843 (81.77%)

Table 1 (continued)
Demographics: Summary for Education and Occupation

Demographic Factors	Number and Percentage Responding		
	All (n=1,702)	Past-Year Players (n=653)	Non-Players (n=1,044)
Education (n=1,690)			
Less than High School	143 (8.46%)	39 (5.98%)	104 (10.02%)
High School Graduate/GED	498 (29.47%)	182 (27.91%)	316 (30.44%)
Some College, no degree	420 (24.85%)	192 (29.45%)	228 (21.97%)
College Degree	414 (24.50%)	170 (26.07%)	244 (23.51%)
Graduate/Professional Degree	215 (12.72%)	69 (10.58%)	146 (14.07%)
Occupation (n=1,266)			
Executive, Administrative, and Managerial	150 (11.85%)	66 (12.97%)	84 (11.10%)
Professional Specialty	391 (30.88%)	151 (29.67%)	240 (31.70%)
Technicians and Related Support	114 (9.00%)	53 (10.41%)	61 (8.06%)
Sales	165 (13.03%)	60 (11.79%)	105 (13.87%)
Administrative Support, Clerical	93 (7.35%)	35 (6.88%)	58 (7.66%)
Private Household	98 (7.74%)	33 (6.48%)	65 (8.59%)
Protective Service	11 (0.87%)	5 (0.98%)	6 (0.79%)
Service	127 (10.03%)	53 (10.41%)	74 (9.78%)
Precision Productions, Craft, and Repair	8 (0.63%)	4 (0.79%)	4 (0.53%)
Machine Operators, Assemblers, and Inspectors	44 (3.48%)	21 (4.13%)	23 (3.04%)
Transportation and Material Moving	25 (1.97%)	18 (3.54%)	7 (0.92%)
Equipment Handlers, Cleaners, Helpers, and Laborers	16 (1.26%)	7 (1.38%)	9 (1.19%)
Farming, Forestry, and Fishing	5 (0.39%)	1 (0.20%)	4 (0.53%)
Armed Forces	19 (1.50%)	2 (0.39%)	17 (2.25%)

- Approximately twenty percent of all respondents had a household annual income of between $40,000 (10.51%) and $59,999 (9.72%). Approximately twenty-seven percent had an income of $75,000 or more. A higher percentage of non-players (20.35%) than past-year players (13.59%) had an annual household income of less than $20,000. Nearly sixteen percent (15.72%) of non-players had a household annual income over $100,000. Meanwhile, eighteen percent of past-year players had a household annual income over $100,000.

- Approximately forty-six percent (46.27%) of the respondents were employed full-time. Fifty-seven percent (56.7%) of past-year players and forty percent (39.69%) of non-players were employed full-time.

- Seventy-eight percent (78.21%) of all respondents owned their home. Nineteen percent rented and nearly 3 percent (2.79%) occupied their home without payment.

- Forty percent (39.97%) of the respondents were between the ages of 45 to 64. The average age for all respondents was 50.41. A greater percentage of non-players (28.93%) than past-year players (21.62%) were 65 and over. A greater percentage of past-year players (23.50%) than non-players (17.04%) were between the ages of 44 to 54.

- Approximately sixty-four percent (64.29%) of past-year players were married. Of the non-players, 58.40% were married.

- Thirty-two percent of the respondents that were past-year players had children under 18 living in their household. Thirty-three percent of the respondents that were non-players had children under 18 living in their household.

- Fifty-six percent (55.51%) of the respondents were female. Forty-four percent (44.49%) were male respondents.

- Approximately two-thirds of all respondents were White. Whites comprised sixty-six percent (65.79%) of all past-year players but also sixty-eight percent of (67.64%) of non-players.

- Eighteen percent of the respondents stated they were of Hispanic descent. Past-year players (18.69%) and non-players (18.23%) were equally likely to have Hispanic origin.

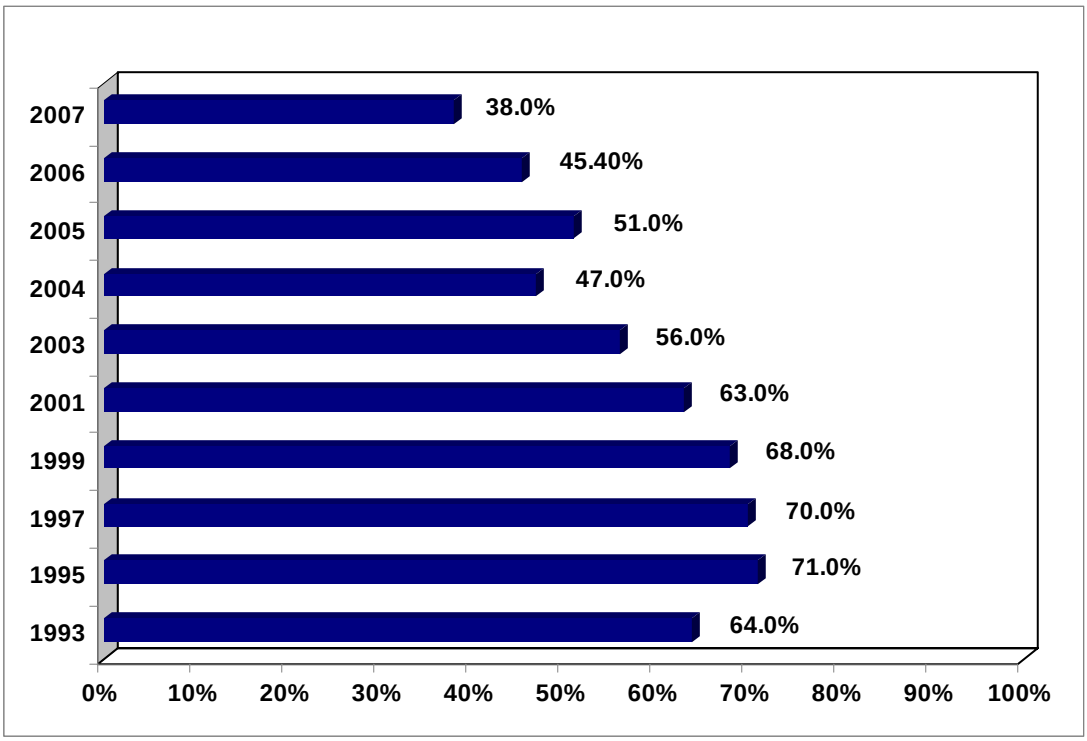
- Thirty-seven percent of all respondents had a college degree (24.50%) or a graduate/professional degree (12.72%). A larger percentage of past-year players (29.45%) than non-players (21.97%) had some college education. Thirty-eight percent of non-players (37.58%) and thirty-seven percent of past-year players (36.62%) had a college degree or more.

- Approximately thirty-one percent of all respondents (30.88%) said that their occupations were categorized as “professional specialty.” Thirty-two percent of non-players (31.70%) and thirty percent of past-year players (29.67%) classified their occupations as professional specialty. Sales (13.03%), executive, administrative, and managerial occupations (11.85 percent) were the second and third largest groups respectively.

III. GAME FINDINGS

IIIa. ANY GAME RESULTS

Figure 1
Percentage of Respondents Playing Any Lottery Game



Source: 2007 CPP survey data, 2006 UNT survey reports and survey reports from 1993-2005.

Figure 1 compares Texas lottery participation rates of those playing any of the Texas Lottery games during the past year from the Lottery's inception in 1993 to the present. The percentage of respondents playing any lottery game has decreased substantially since 1993, with the most recent annual decrease at 7 percentage points.

The average monthly dollar amount spent on any lottery game, excluding outlying values, was $53.63. Following the projection formula used in both the 2005 and 2006 studies, we applied a "weighted" average monthly dollar amount spent and extrapolated it to the Texas population to compare with actual revenue.[5] Our survey data provided for estimated annual sales in Texas to be approximately $4.190 billion. When applying the margin of error calculation for this subset of the sample, the expected forecast of actual lottery sales ranged between $4.088 billion and $4.290 billion. This range is higher than actual annual lottery ticket sales for fiscal year 2006 of $3.775 billion dollars.

[5] The 2006 population estimate for persons 18 years and older is 17,131,069. The source for this figure is the Texas State Data Center, Office of the State Demographer (http://txsdc.utsa.edu/). We thank Karl Eschbach and Beverly Pecotte for their assistance.

Table 2
Any Game: Past-Year Lottery Play and Median Dollars Spent per Month by Demographics

Demographic Factors	Percentage played[6]	Median Dollars Spent
Education		
Less than high school diploma	27.3	61.00
High school degree	36.5	15.00
Some college	45.7	15.00
College degree	41.1	8.00
Graduate degree	32.1	5.00
Income		
Under $12,000	28.6	9.50
$12,000 to $19,999	33.1	10.00
$20,000 to $29,999	38.9	20.00
$30,000 to $39,999	40.1	16.00
$40,000 to $49,999	36.8	22.00
$50,000 to $59,999	43.1	10.00
$60,000 to $74,999	43.5	13.00
$75,000 to $100,000	50.0	5.00
Over $100,000	43.1	9.50
Race		
White	37.9	10.00
Black	39.8	20.00
Asian	37.0	22.00
Native American Indian	41.2	49.00
Other	40.1	15.00
Hispanic origin		
Yes	39.0	17.00
No	38.2	10.00
Gender*		
Female	36.1	10.00
Male	41.5	13.00
Age		
18 to 24	17.0	12.00
25 to 34	35.7	27.00
35 to 44	41.7	10.00
45 to 54	46.2	12.00
55 to 64	46.4	9.00
65 or older	32.2	12.00
Employment status***		
Employed full/part time	45.2	10.00
Unemployed	17.1	16.50
Retired	33.2	12.00

Note: * p< 0.05, ** p< 0.01, *** p< 0.001.

[6] The significance markings refer only to the percentage played.

Table 2 shows the percentage of past-year players was higher among respondents employed full-time and part-time compared to unemployed and retired respondents. Participation findings for education, income, race, Hispanic origin, and age of the respondents were not statistically significant.

Table 3
Participation and Dollars Spent by Lottery District

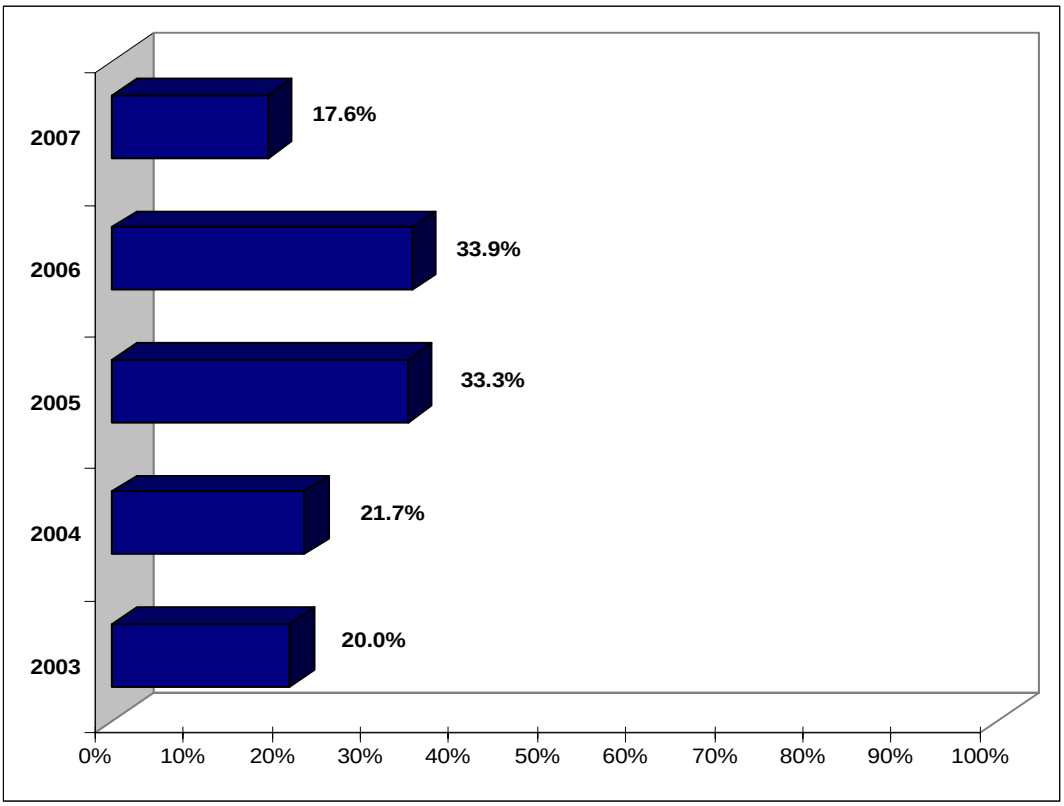
District	Percent Playing Any Game	Mean Amount Spent Per Month among Lottery Past-Year Players	Median Amount Spent Per Month among Lottery Past-Year Players
Abilene	36.0	$23.71	$10.00
Austin	41.6	25.79	10.00
El Paso	30.2	17.15	5.00
Houston	37.1	27.24	10.00
Irving	41.9	27.86	10.00
Lubbock	32.1	74.25	5.00
McAllen	51.3	14.89	8.50
San Antonio	36.2	36.08	12.00
Tyler	38.3	16.32	5.00
Victoria	40.3	10.85	8.00

- As shown in Table 3, participation rates in any Texas Lottery games were highest in the McAllen (51.3%), Irving (41.9%), and Austin (41.6%) lottery districts respectively. The lowest rates were seen in the Lubbock (32.1%) and El Paso (30.2%) districts.

- The lottery districts demonstrating the highest average monthly amount spent per player were Lubbock ($74.25) and San Antonio ($36.08). The lowest average monthly amount spent per player was found in the Victoria ($10.85 mean) and McAllen ($14.89) districts.

IIIb. PICK 3 DAY RESULTS

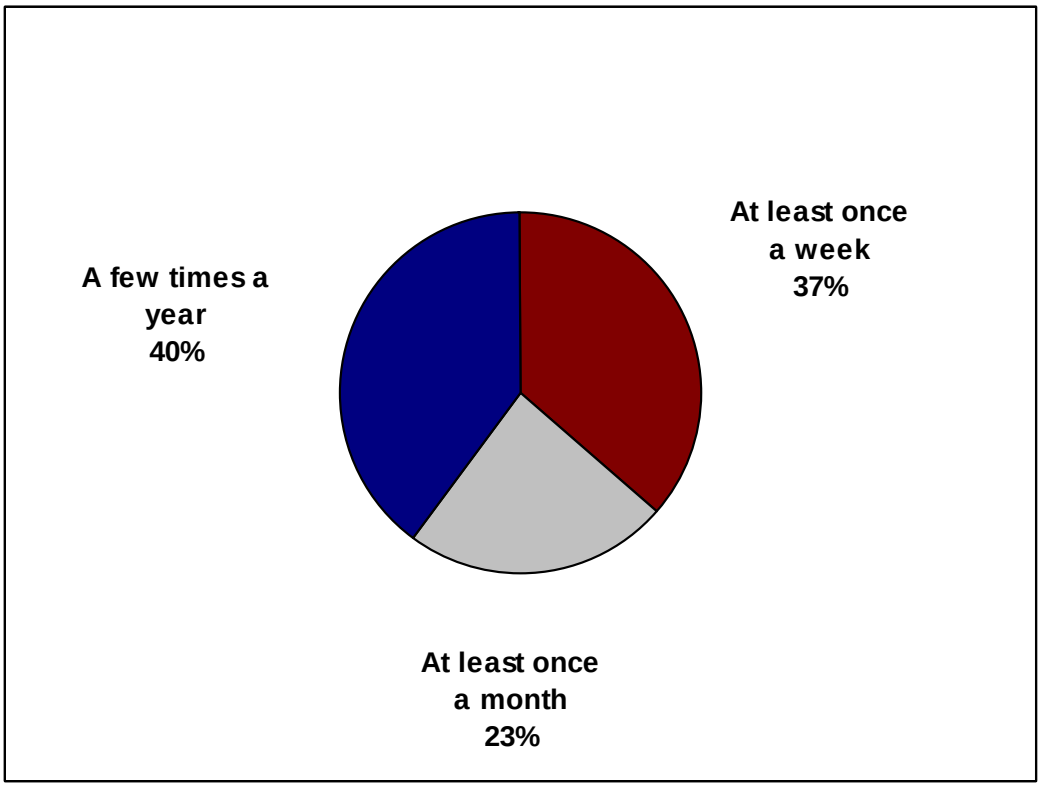
Figure 2
Percentage Playing Pick 3 Day



Source: Center for Public Policy 2007 survey data and additional survey reports 2003-2006

Figure 2 illustrates that 17.6 percent of respondents playing any lottery game in the past year played Pick 3 Day.

Figure 3
Frequency of Purchasing Pick 3 Day Tickets
(n=115)



As Figure 3 illustrates, thirty-seven percent of the respondents that purchased Pick 3 Day tickets purchased them at least once a week. Twenty-three percent purchased tickets at least once a month, and forty percent purchased Pick 3 Day tickets a few times a year.

Table 4
Average Times Played Pick 3 Day

Played Pick 3 Day	Average Number of Times Played
Per week for weekly past-year players	2.30
Per month for monthly past-year players	1.44
Per year for yearly past-year players	3.29

Table 4 shows that respondents played an average number of 2.30 times per week, 1.44 times per month, or 3.29 times per year. Weekly, monthly, and yearly rates are distinct from each other. As in prior studies we code the data in the following way: if a respondent answered that they played weekly, they were not asked if they played monthly or yearly.[7]

Table 5
Dollars Spent on Pick 3 Day

Pick 3 Day	Dollars Spent
Average spent per play	$7.11
Average spent per month (mean)	22.13
Average spent per month (median)	15.00

Table 5 shows that Pick 3 Day players spent an average of $7.11 per play while monthly players spent an average of $22.13 per month.

As shown in the following table on the next page, there were significant differences among demographic groups regarding the percentage that played Pick 3 Day. Table 6 shows:

- The percentage of past year players that played Pick 3 Day decreased as education and income increased.
- Participation was higher among African Americans, Native American Indians, and those of Hispanic origin.
- However, participation findings for age, gender, and employment status were not statistically significant.[8]

[7] We follow this coding method for each game regarding average time played.

[8] For Table 6, the significance markings refer only to the percentage played.

Table 6
Pick 3 Day: Lottery Play and Median Dollars Spent per Month by Past-Year Player Demographics

Pick 3 Day	Percentage Played	Median Dollars Spent
Education**		
Less than high school diploma	31.6	40.00
High school degree	18.5	15.00
Some college	20.8	15.00
College degree	12.5	8.00
Graduate degree	11.6	20.00
Income**		
Under $12,000	20.0	2.00
$12,000 to $19,999	30.8	15.00
$20,000 to $29,999	26.9	20.00
$30,000 to $39,999	19.7	15.00
$40,000 to $49,999	12.2	10.00
$50,000 to $50,999	17.0	10.00
$60,000 to $74,999	16.7	2.00
$75,000 to $100,000	14.9	10.00
Over $100,000	10.2	3.00
Race*		
White	12.68	10.00
Black	36.47	15.00
Asian	10	8.00
Native American Indian	42.86	23.00
Other	20.34	12.00
Hispanic Origin*		
Yes	25.00	12.00
No	15.71	15.00
Gender		
Female	17.01	15.00
Male	18.27	15.00
Age		
18 to 24	23.53	5.00
25 to 34	22.86	10.00
35 to 44	18.69	15.00
45 to 54	17.36	15.00
55 to 64	13.64	15.00
65 or older	20.59	12.00
Employment status		
Employed full/part time	15.65	15.00
Unemployed	26.47	23.00
Retired	18.86	12.00

Note: * = p < 0.05, ** = p < 0.01, and *** = p < 0.001.

Figure 4
Years Playing Pick 3 Day
(n=114)

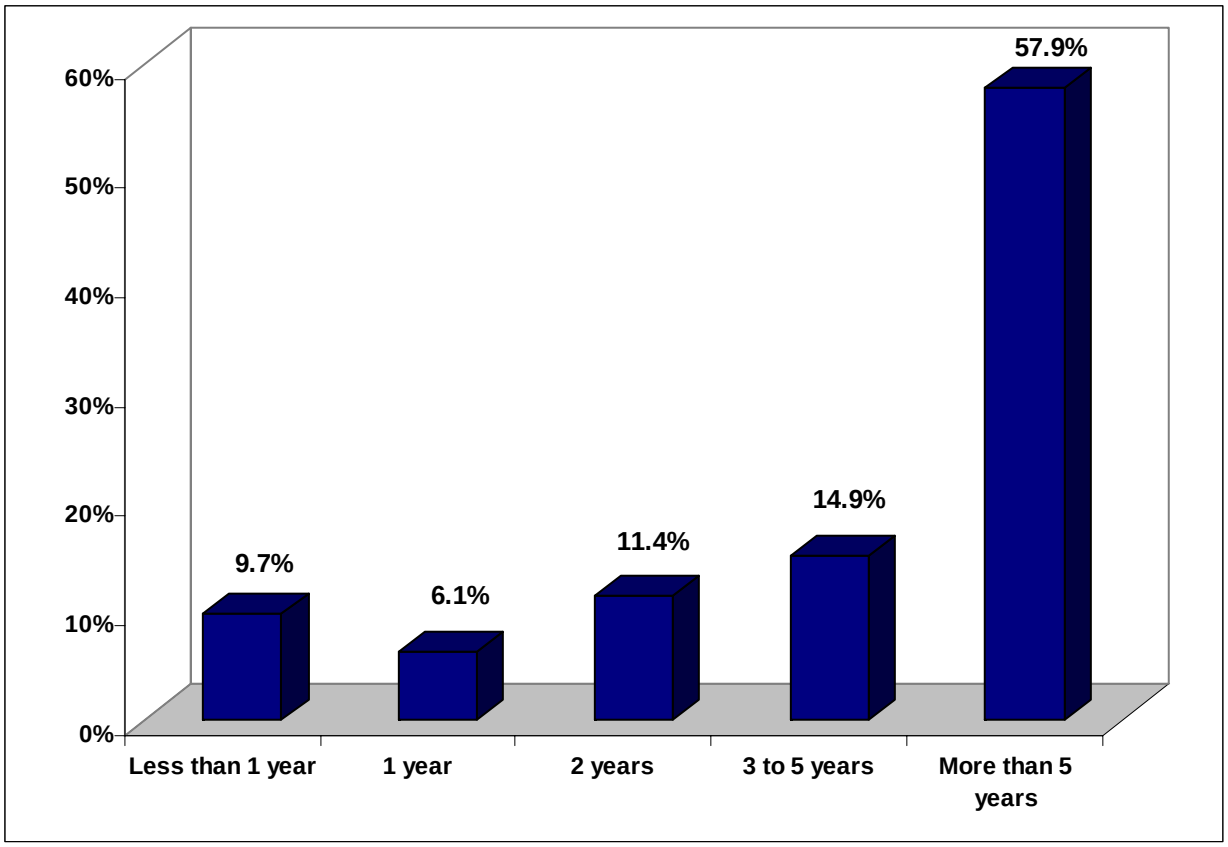
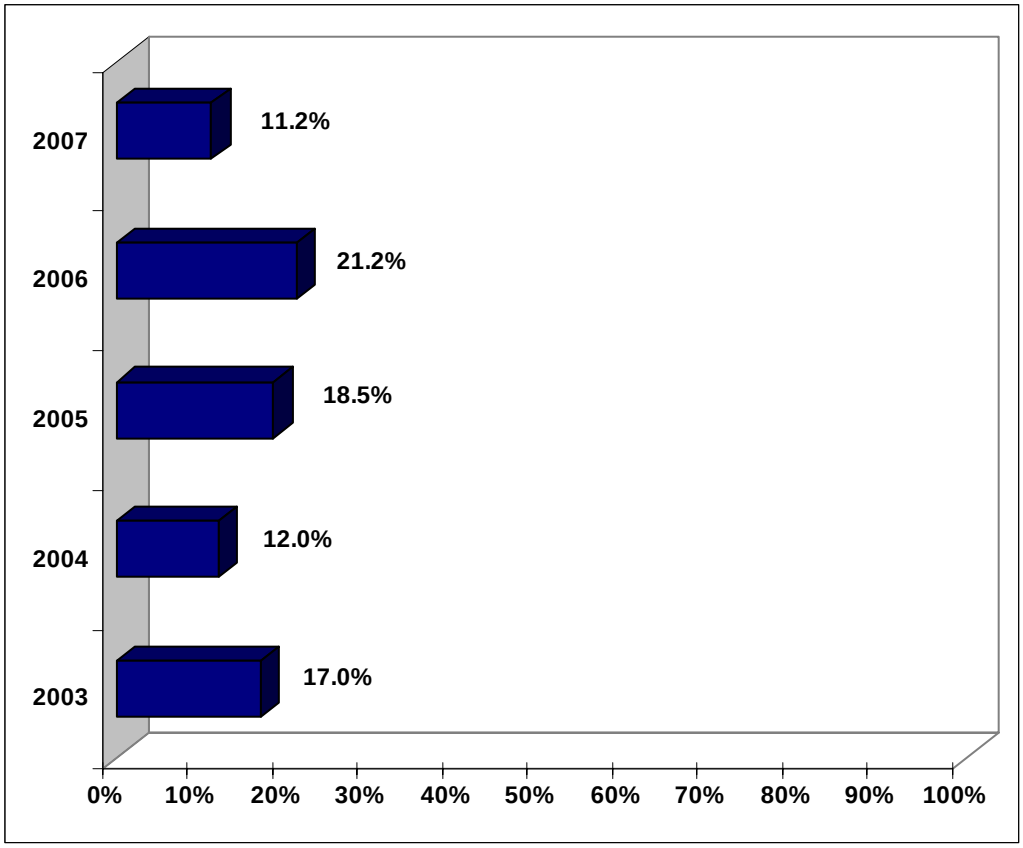


Figure 4 illustrates that approximately fifty-eight percent of the respondents that played Pick 3 Day reported playing it more than 5 years.

IIIc. PICK 3 NIGHT RESULTS

Figure 5
Percentage Playing Pick 3 Night



Source: 2007 CPP survey data and additional survey reports 2003-2006

Figure 5 illustrates that slightly over eleven percent of respondents playing any lottery game in the past year played Pick 3 Night. This is approximately half of those playing in 2006.

Figure 6
Frequency of Purchasing Pick 3 Night Tickets
(n=71)

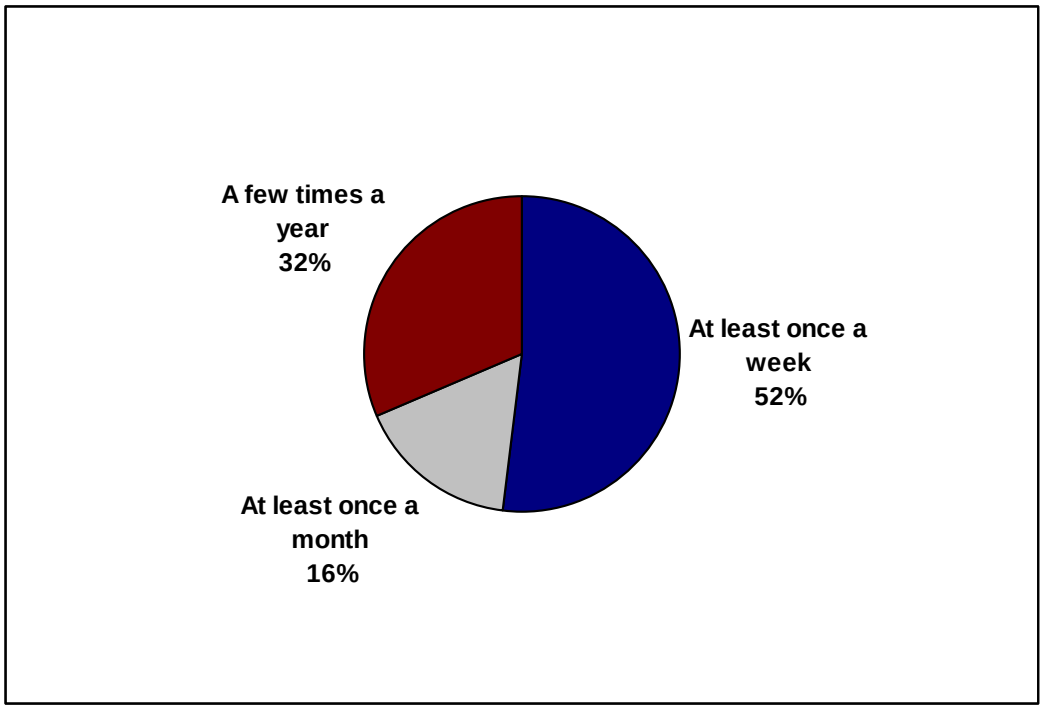


Figure 6 shows that over half (52%) of the respondents that purchased Pick 3 Night tickets purchased them at least once a week. Sixteen percent purchased tickets at least once a month, and 32% purchased Pick 3 Night tickets a few times a year.

Table 7
Average Times Played Pick 3 Night

Pick 3 Night	Average Number of Times Played
Per week for weekly past-year players	3.13
Per month for monthly past-year players	2.00
Per year for yearly past-year players	4.44

Table 7 shows that respondents played an average number of 3.13 times per week, 2.00 times per month, or 4.44 times per year.

Table 8
Dollars Spent on Pick 3 Night

Pick 3 Night	Dollars Spent
Average spent per play	$6.99
Average spent per month (mean)	18.02
Average spent per month (median)	12.00

Table 8 illustrates the amount of dollars spent on Pick 3 Night. Pick 3 Night players spent an average of $6.99 per play while players spent an average of $18.02 per month.

When looking at demographic characteristics, there were significant differences among the people playing Pick 3 Night. Table 9 on the following page illustrates the following:

- The percentage of respondents that played Pick 3 Night was higher among respondents with less than a high school education.
- As income increased, participation generally decreased.
- Participation findings for race, gender, age, Hispanic origin, and employment status were not statistically significant.
- Note that the result for Native American Indians is driven by their relatively small sample (n=7 for past-year players).
- Respondents in the "Graduate Degree" and "$40,000 to 49,999" categories did not indicate a dollar amount spent.

Table 9
Pick 3 Night: Lottery Play and Median Dollars Spent per Month by Past-Year Player Demographics

Pick 3 Night	Percentage Played[9]	Median Dollars Spent
Education***		
Less than high school diploma	23.7	$20.00
High school degree	14.8	15.00
Some college	11.6	8.00
College degree	8.4	8.00
Graduate degree	1.5	--
Income**		
Under $12,000	13.3	10.00
$12,000 to $19,999	20.5	20.00
$20,000 to $29,999	18.2	20.00
$30,000 to $39,999	10.0	4.00
$40,000 to $49,999	6.1	--
$50,000 to $50,999	15.4	8.00
$60,000 to $74,999	15.1	4.00
$75,000 to $100,000	6.2	20.00
Over $100,000	5.7	20.00
Race		
White	8.0	15.00
Black	25.0	20.00
Asian	10.0	8.00
Native American Indian	28.6	126.00
Other	12.1	5.00
Hispanic Origin		
Yes	13.5	5.00
No	10.4	15.00
Gender		
Female	11.8	12.00
Male	10.7	10.00
Age		
18 to 24	17.7	5.00
25 to 34	14.3	20.00
35 to 44	15.0	12.00
45 to 54	11.9	10.00
55 to 64	8.7	20.00
65 or older	10.3	8.00
Employment status		
Employed full/part time	11.1	15.00
Unemployed	13.2	20.00
Retired	10.9	6.00

Note: * p < 0.05, ** p < 0.01, *** p < 0.001.

[9] The significance markings refer only to the percentage played.

Figure 7
Years Playing Pick 3 Night
(n=73)

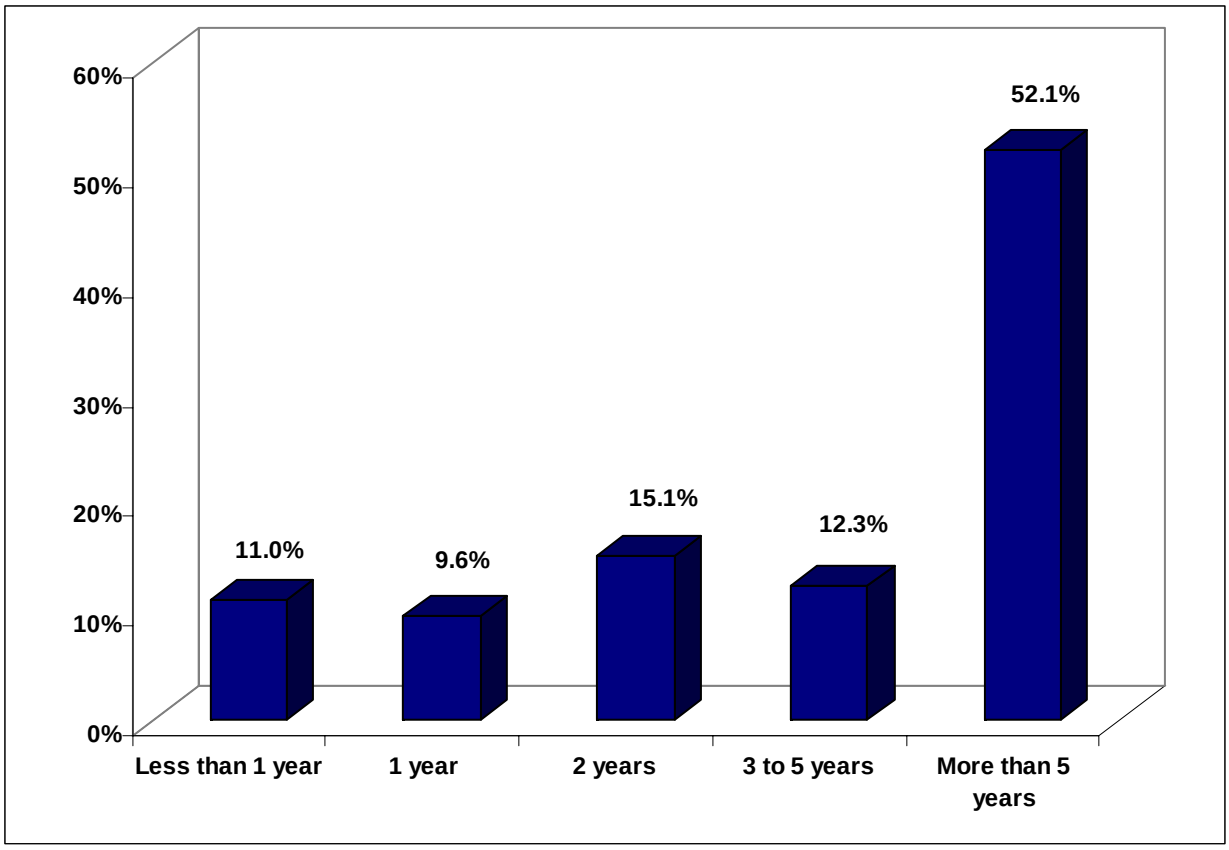
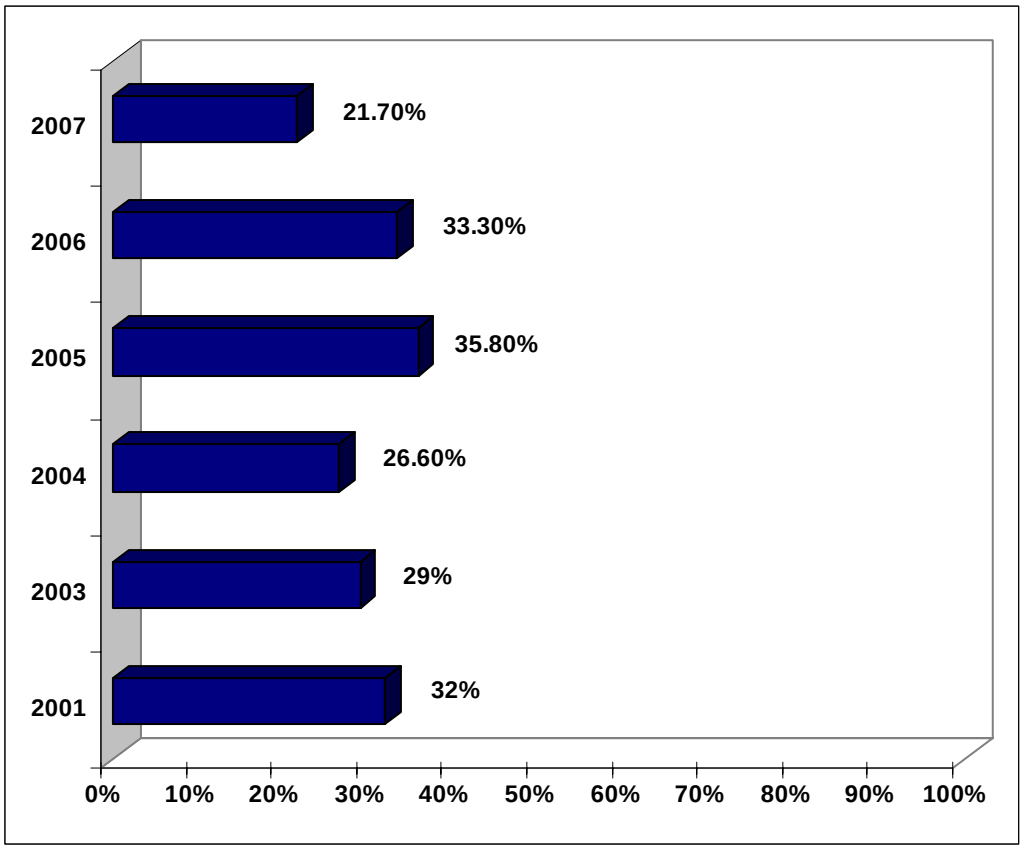


Figure 7 shows that slightly more than a majority of the respondents (52%) that played Pick 3 Night reported playing it for more than 5 years.

IIId. CASH 5 RESULTS

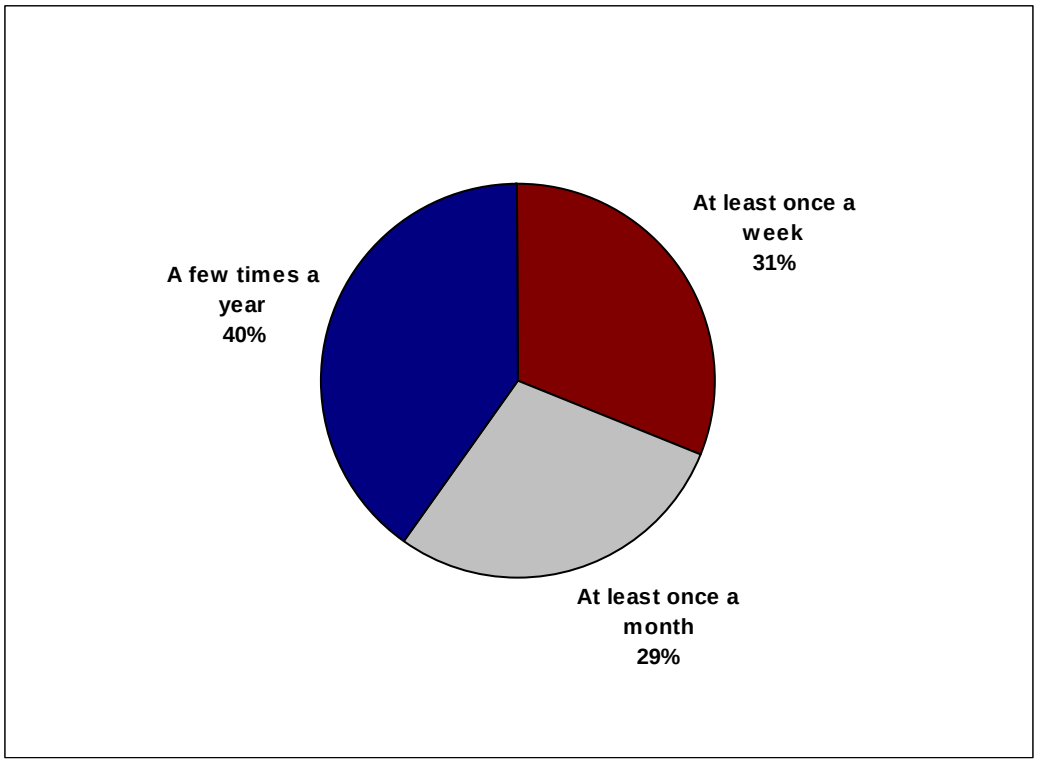
Figure 8
Percentage Playing Cash 5



Source: 2007 CPP survey data and additional survey reports 2001-2006

Figure 8 illustrates that 21.7% of respondents playing any lottery game in the past year were playing Cash 5. This is the lowest Cash 5 participation rate among past-year lottery players since 2001.

Figure 9
Frequency of Purchasing Cash 5 Tickets
(n=142)



Thirty-one percent of the respondents that purchased Cash 5 tickets purchased them at least once a week as shown in Figure 9. Twenty-nine percent purchased tickets at least once a month, and 40% purchased Cash 5 tickets a few times a year.

Table 10
Average Times Played Cash 5

Cash 5	Average Number of Times Played
Per week for weekly past-year players	2.21
Per month for monthly past-year players	1.49
Per year for yearly past-year players	3.92

Table 10 shows that respondents played an average number of 2.21 times per week, 1.49 times per month, and 3.92 times per year.

Table 11
Dollars Spent on Cash 5

Cash 5	Dollars Spent
Average spent per play	$6.49
Average spent per month (mean)	20.29
Average spent per month (median)	10.00

Table 11 shows that Cash 5 players spend an average of $6.49 per play, while weekly or monthly players spent an average of $20.29 per month.

Table 12 on the following page shows significant differences among demographic groups regarding the percentage that played Cash 5.

- Education levels varied among the respondents that played Cash 5.
- When looking at race, participation was higher among Black and Native American Indian respondents.
- Income was statistically significant: those with higher incomes bought Cash 5 tickets less.
- Participation findings for gender, age, Hispanic origin, and employment status were not statistically significant.

Table 12
Cash 5: Lottery Play and Median Dollars Spent per Month by Past-Year Cash 5 Player Demographics

Cash 5 Players	Percentage Played[10]	Median Dollars Spent
Education**		
Less than high school diploma	29.0	30.00
High school degree	24.7	10.00
Some college	26.2	10.00
College degree	15.9	10.00
Graduate degree	14.5	20.00
Income*		
Under $12,000	20.0	4.00
$12,000 to $19,999	23.1	8.00
$20,000 to $29,999	46.1	10.00
$30,000 to $39,999	24.6	20.00
$40,000 to $49,999	22.5	5.00
$50,000 to $50,999	17.7	5.00
$60,000 to $74,999	17.3	10.00
$75,000 to $100,000	15.2	6.00
Over $100,000	17.2	15.00
Race*		
White	18.3	10.00
Black	33.0	15.00
Asian	10.0	50.00
Native American Indian	42.9	10.00
Other	27.6	10.00
Hispanic Origin		
Yes	28.2	10.00
No	20.7	10.00
Gender		
Female	21.7	5.00
Male	22.3	12.00
Age		
18 to 24	23.5	10.00
25 to 34	23.2	12.00
35 to 44	19.8	10.00
45 to 54	25.2	6.00
55 to 64	19.2	10.00
65 or older	23.7	10.00
Employment status		
Employed full/part time	20.1	10.00
Unemployed	29.4	24.00
Retired	23.7	10.00

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

[10] The significance markings refer only to the percentage played.

Figure 10
Years Playing Cash 5
(n=139)

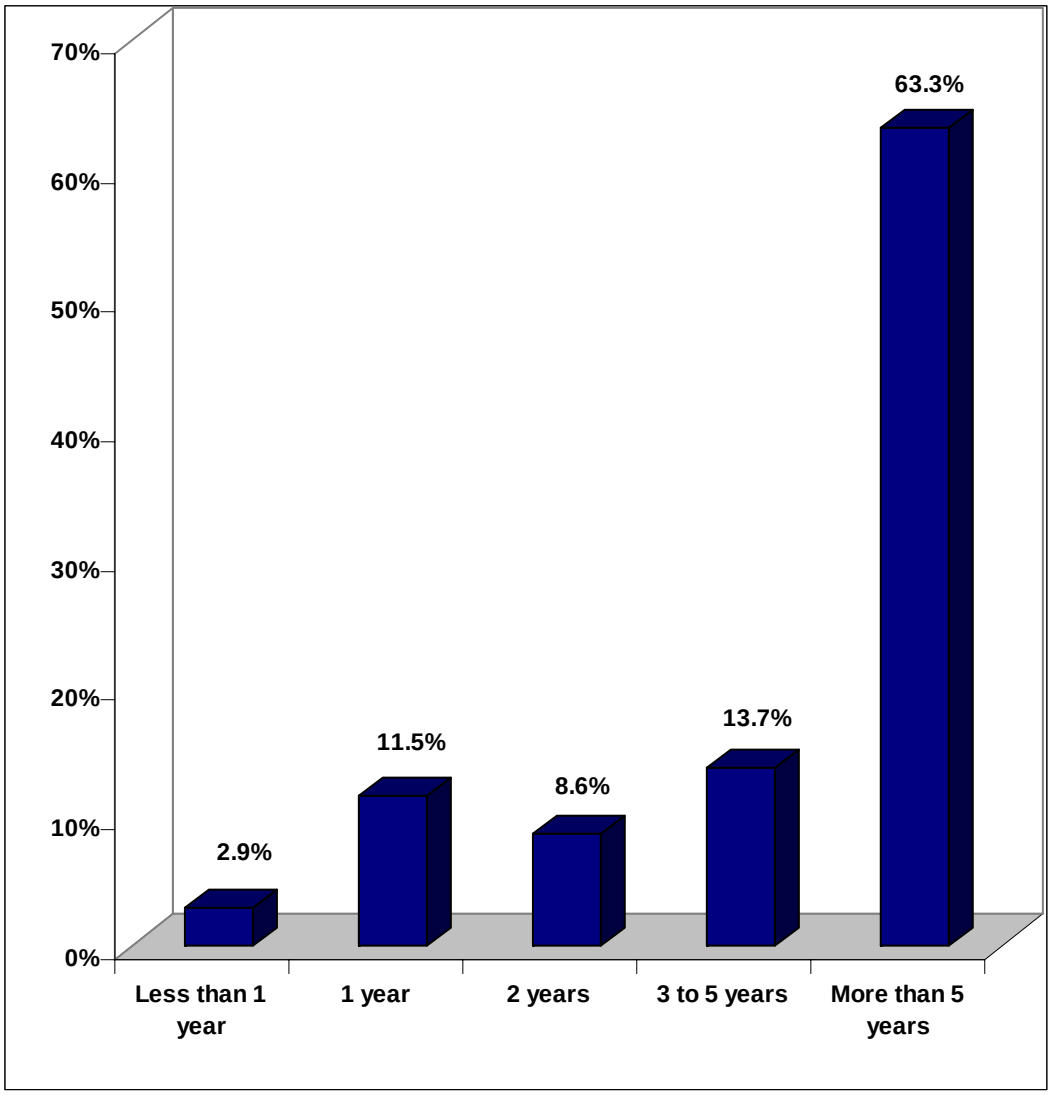
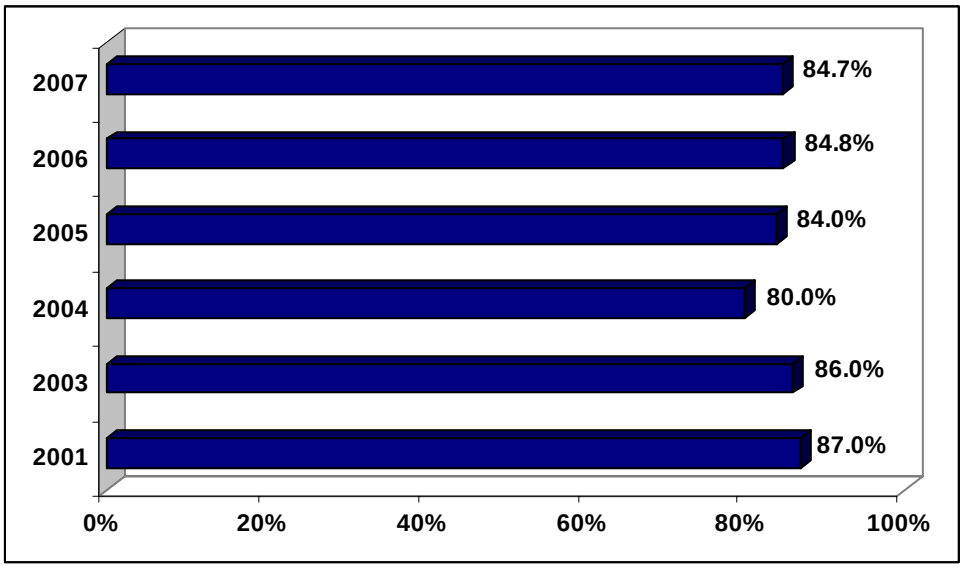


Figure 10 illustrates that sixty-three percent of the respondents that played Cash 5 reported playing it for more than five years.

IIIe. LOTTO TEXAS RESULTS

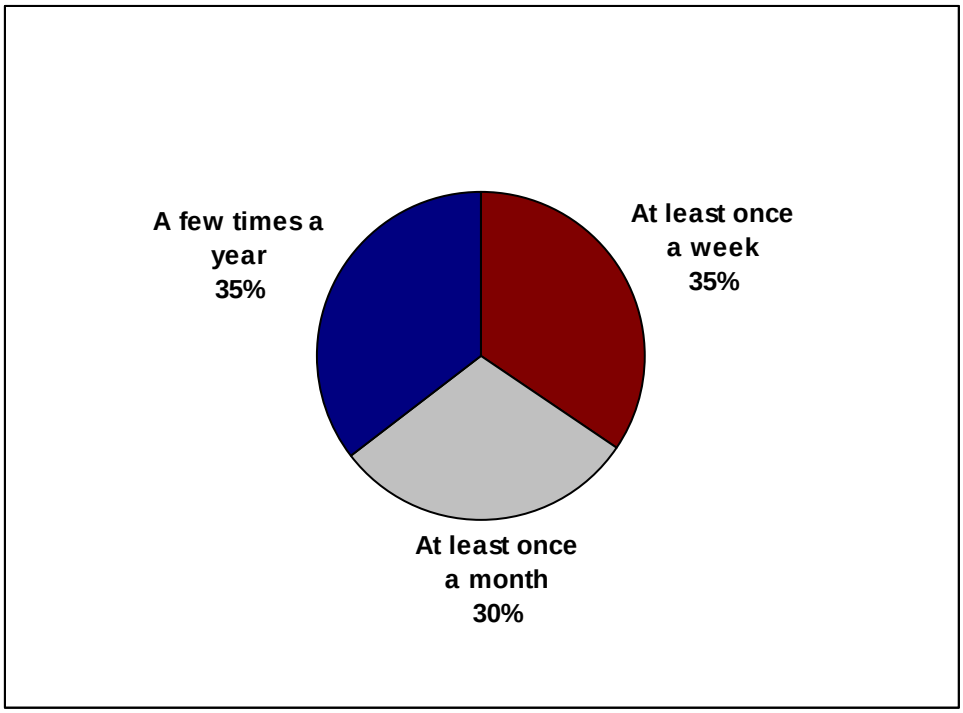
Figure 11
Percentage Playing Lotto Texas



Source: Center for Public Policy 2007 survey data and additional survey reports 2003-2006

Figure 11 illustrates that 84.7 percent of respondents playing any lottery game in the past year were playing Lotto Texas.

Figure 12
Frequency of Purchasing Lotto Texas Tickets
(n=535)



Over one-third (35%) of the respondents that purchased Lotto Texas tickets purchased them at least once a week as illustrated in Figure 12. Thirty-five percent also purchased Lotto Texas tickets a few times a year while thirty percent purchased tickets at least once a month.

Table 13
Average Times Played Lotto Texas

Lotto Texas	Average Number of Times Played
Per week for weekly past-year players	1.72
Per month for monthly past-year players	1.79
Per year for yearly past-year players	4.21

Lotto Texas players played an average of 1.72 times per week, 1.79 times per month, or 4.21 times per year as shown in Table 13.

Table 14
Dollars Spent on Lotto Texas

Lotto Texas	Dollars Spent
Average spent per play	$22.24
Average spent per month (mean)	26.46
Average spent per month (median)	10.00

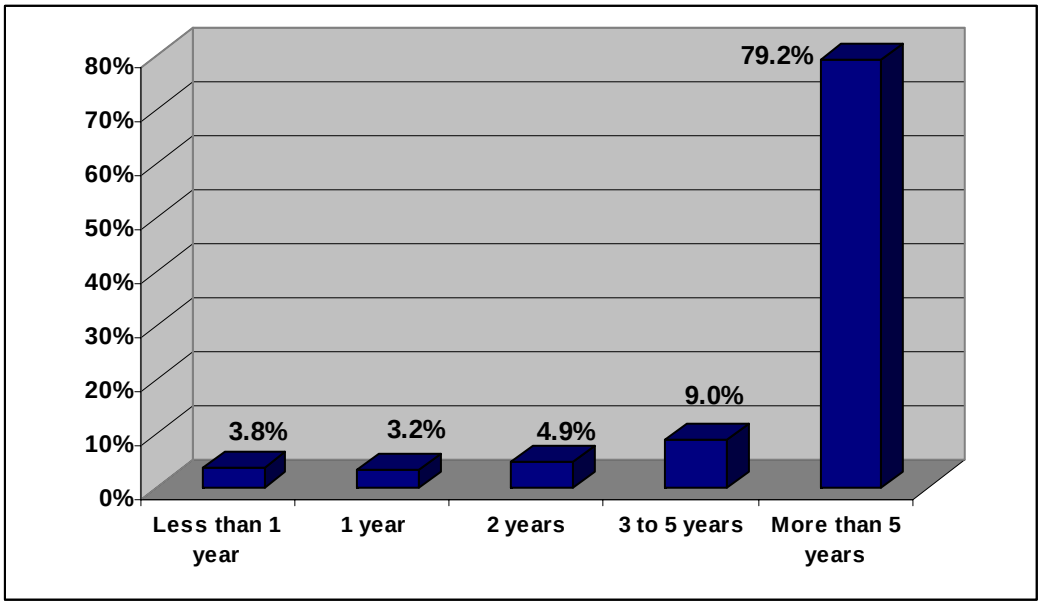
Table 14 illustrates that Lotto Texas players spent an average of $22.24 per play while monthly players spent an average of $26.46 a month.

Unlike the results found with some of the other games such as Cash 5, there were no significant differences among demographic groups regarding the percentage that played Lotto Texas. See Table 15 on the following page.

Table 15
Lotto Texas Players and Median Dollars Spent per Month by Past-Year Player Demographics

Lotto Texas	Percentage Played	Median dollars spent
Education		
Less than high school diploma	82.1	$20.00
High school degree	77.4	10.00
Some college	84.8	10.00
College degree	86.8	6.00
Graduate degree	81.2	6.00
Income		
Under $12,000	80.0	5.00
$12,000 to $19,999	74.4	20.00
$20,000 to $29,999	81.5	10.00
$30,000 to $39,999	83.6	6.00
$40,000 to $49,999	79.6	10.00
$50,000 to $59,999	78.9	9.00
$60,000 to $74.999	81.1	10.00
$75,000 to $100,000	89.5	10.00
Over $100,000	86.5	6.00
Race		
White/Anglo	84.9	8.00
Black/African American	77.7	11.00
Asian	55.6	20.00
Native American Indian	85.7	35.00
Other	79.3	8.00
Hispanic Origin		
Yes	80.7	8.00
No	83.6	10.00
Gender		
Female	82.9	10.00
Male	82.3	8.00
Age		
18 to 24	47.1	8.00
25 to 34	81.2	10.00
35 to 44	83.9	6.00
45 to 54	85.4	10.00
55 to 64	85.2	8.00
65 or older	79.3	10.00
Employment Status		
Employed full/part time	83.7	8.00
Unemployed	79.1	9.00
Retired	81.0	10.00

Figure 13
Years Playing Lotto Texas
(n=533)

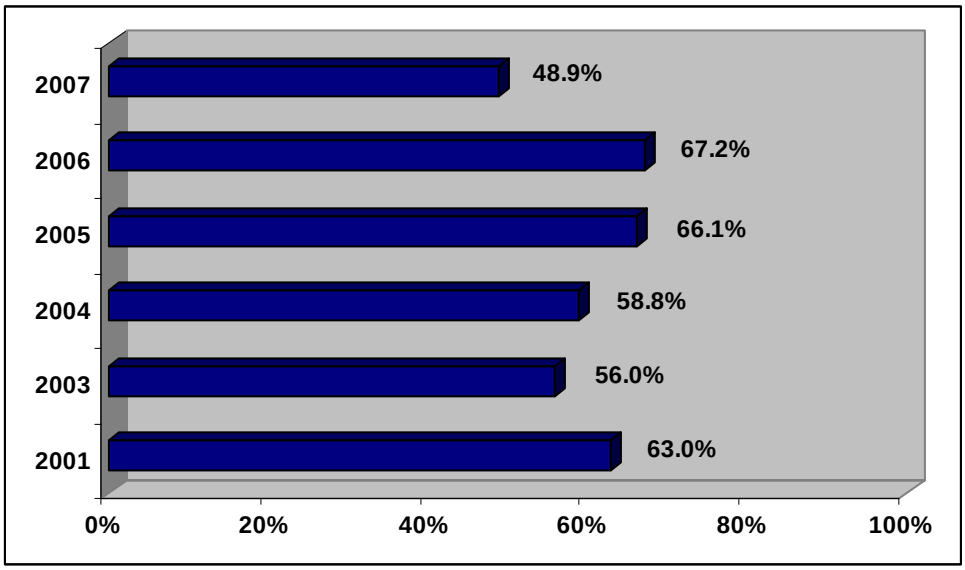


Source: Center for Public Policy 2007 survey data and additional survey reports 2003-2006

Nearly eighty percent (79.2%) of the respondents that played Lotto Texas played it for more than 5 years as shown in Figure 13.

IIIf. TEXAS LOTTERY SCRATCH OFF TICKETS RESULTS

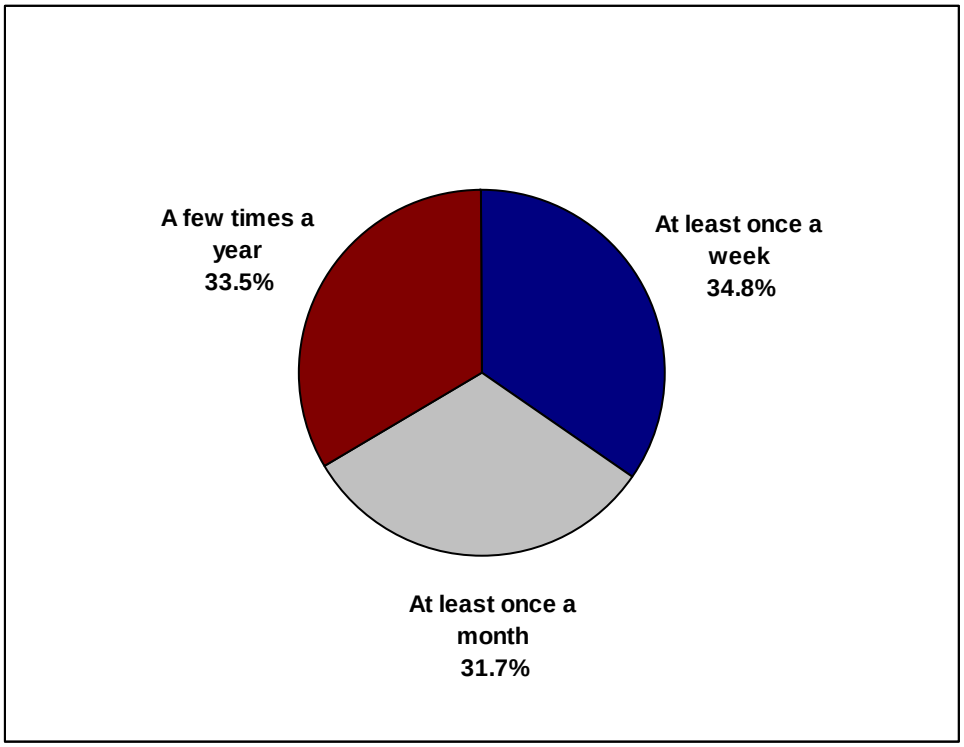
Figure 14
Percentage Playing Texas Lottery Scratch Off Tickets



Source: Center for Public Policy 2007 survey data and additional survey reports 2003-2006

Figure 14 demonstrates that almost half (48.9%) of respondents playing any lottery game in the past year played Texas Lottery Scratch Off tickets.

Figure 15
Frequency of Purchasing Texas Lottery Scratch Off Tickets
(n=319)



Nearly thirty-five percent (34.8%) of the respondents that purchased Texas Lottery Scratch Off tickets purchased them at least once a week as illustrated in Figure 15. Nearly thirty-two percent (31.7%) purchased tickets at least once a month, and one-third (33.5%) purchased tickets a few times a year.

Table 16
Average Time Played Texas Lottery Scratch Off Tickets

Texas Lottery Scratch Off	Average Number of Times Played
Per week for weekly past-year players	2.67
Per month for monthly past-year players	2.11
Per year for yearly past-year players	6.32

Table 16 shows that respondents that played Texas Lottery Scratch Off tickets played an average number of 2.67 times a week, 2.11 times a month, and 6.32 times a year.

Table 17
Dollars Spent on Texas Lottery Scratch Off Tickets

Texas Lottery Scratch Off Tickets	Dollars Spent
Average spent per play[11]	$13.20
Average spent per month (mean)[12]	33.27
Average spent per month (median)	10.00

Texas Lottery Scratch Off players spent an average of $13.20 per play while monthly players spent an average of $33.27 a month as illustrated in Table 17.

As Table 18 illustrates on the following page, there were significant differences among demographic groups regarding the percentage that played Texas Lottery Scratch Off Tickets.

The percentage of respondents that played the scratch off tickets fell as education level increased.

Playing scratch off tickets was generally more likely among respondents with incomes of $12,000 to $29,999. The least likely participants, by income category, were respondents who earned between $50,000 to $59,999. Respondents who earned between $30,000 to $39,999, or $75,000 and over participated at nearly identical percentages.

Over seventy-six percent of those in the 18 to 24 age category played Texas Lottery Scratch Off Tickets.

[11] The mean for this category is $11.62 when the outlier category of $500 is excluded from the analysis.

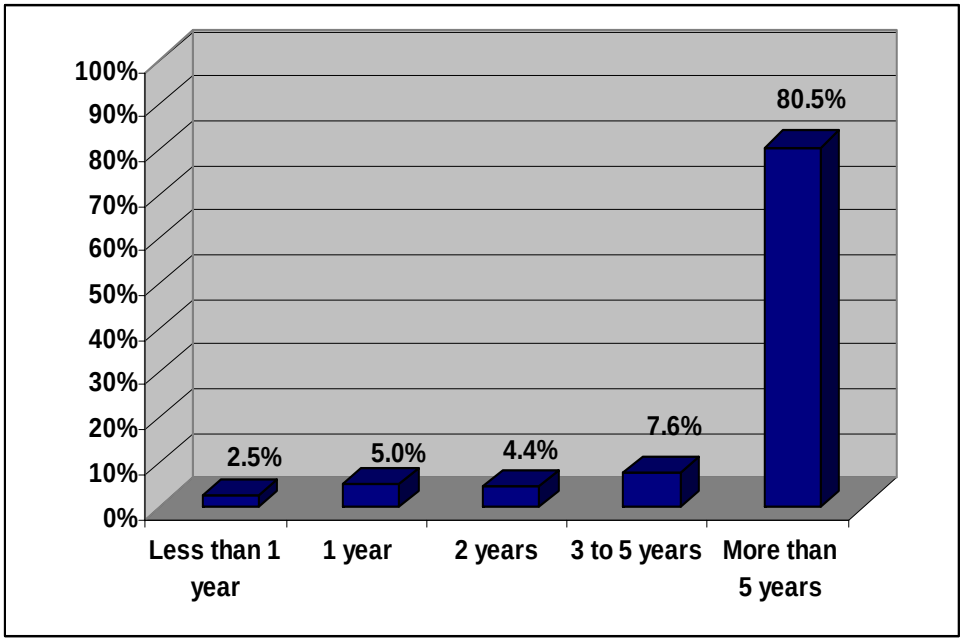
[12] The mean for this category is $26.54 when the outlier categories of $500, $620, and $630 are excluded from the analysis.

Table 18
Texas Lottery Scratch Off Tickets: Lottery Play and Median Dollars Spent per Month by Past-Year Player Demographics

Texas Lottery Scratch Off Tickets	Percentage Played	Median Dollars Spent
Education**		
Less than high school diploma	64.1	$40.00
High school degree	56.1	15.00
Some college	48.7	10.00
College degree	45.5	7.00
Graduate degree	34.8	10.00
Income**		
Under $12,000	56.7	9.00
$12,000 to $19,999	69.2	23.00
$20,000 to $29,999	62.5	16.00
$30,000 to $39,999	45.9	20.00
$40,000 to $49,999	55.1	16.00
$50,000 to $59,999	40.4	12.00
$60,000 to $74.999	52.8	9.00
$75,000 to $100,000	44.8	8.00
Over $100,000	43.2	10.00
Race		
White/Anglo	42.3	10.00
Black/African American	47.7	25.00
Asian	40.0	9.00
Native American Indian	28.6	40.00
Other	53.5	20.00
Hispanic Origin		
Yes	54.6	20.00
No	48.2	10.00
Gender		
Female	51.0	10.00
Male	47.3	10.00
Age**		
18 to 24	76.5	25.00
25 to 34	57.9	20.00
35 to 44	46.7	11.00
45 to 54	57.7	15.00
55 to 64	47.4	10.00
65 or older	42.9	9.50
Employment Status		
Employed full/part time	48.9	12.00
Unemployed	59.7	10.00
Retired	45.7	10.00

Note: *p<0.05, **p<0.01, ***p<0.001.

Figure 16
Years Playing Texas Lottery Scratch Off Tickets
(n=318)



As shown in Figure 16, over 80% of the respondents that played Texas Lottery Scratch Off Tickets reported playing them for more than 5 years.

IIIg. TEXAS TWO STEP RESULTS

Figure 17
Percentage Playing Texas Two Step

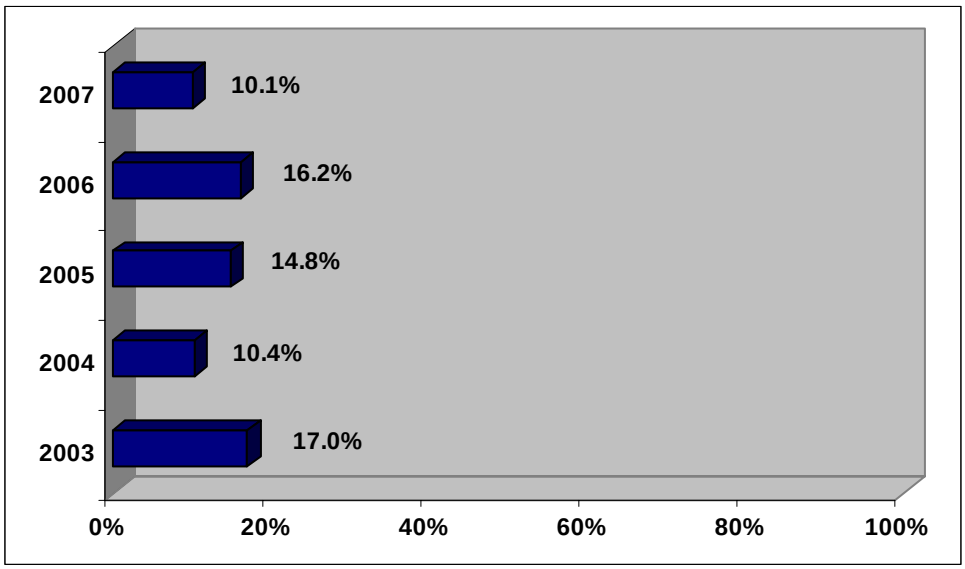


Figure 17 illustrates that slightly more than ten percent (10.1%) of respondents playing any lottery game in the past year played Texas Two Step. This is the lowest percentage of Texas Two Step players found in the years 2003-2007.

Figure 18
Frequency of Purchasing Texas Two Step Tickets
(n=66)

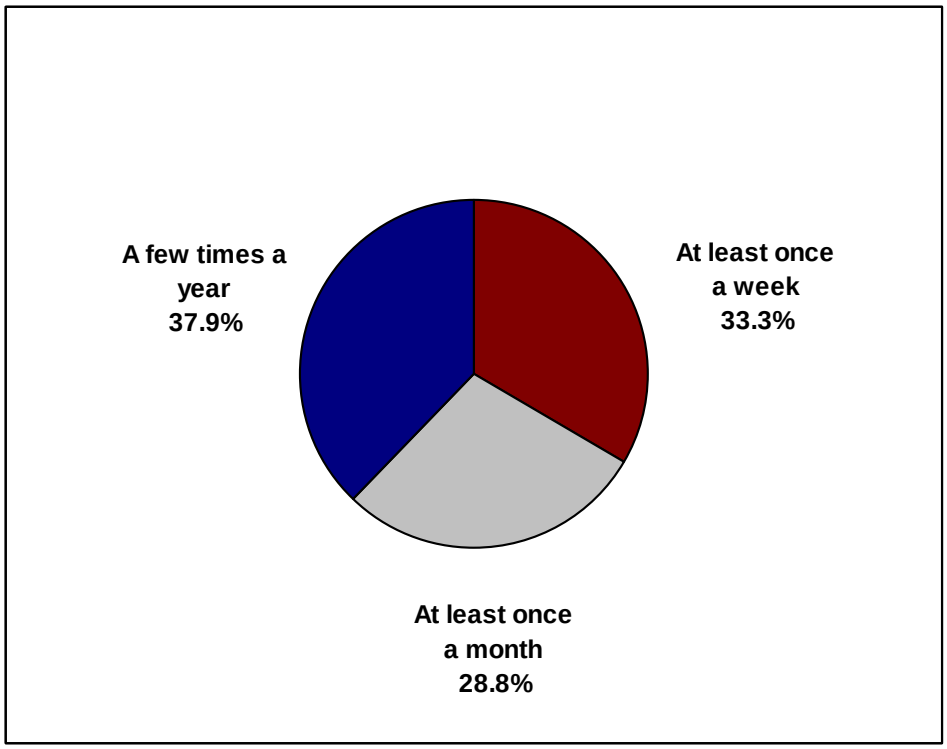


Figure 18 shows that one-third (33.3%) of the respondents that purchased Texas Two Step tickets bought them at least once a week.

Nearly twenty-nine percent (28.8%) purchased tickets at least once a month, and 37.9 percent purchased tickets a few times a year.

Table 19
Average Time Played Texas Two Step

Texas Two Step Players	Average Number of Times Played
Per week for weekly past-year players	1.91
Per month for monthly past-year players	1.33
Per year for yearly past-year players	11.64

Table 19 indicates that respondents playing Texas Two Step played an average of 1.91 times a week, 1.33 times a month, or 11.64 times a year.

Table 20
Dollars Spent on Texas Two Step

Texas Two Step Players	Dollars Spent
Average spent per play[13]	$8.25
Average spent per month (mean)	18.27
Average spent per month (median)	12.00

Respondents playing Texas Two Step spent an average of $8.25 per play, the mean expenditure was $18.27 a month and the median expenditure was $12.00 as listed in Table 20.

Table 21 indicates that education and age have statistically significant effects on participation. These differences are within their respective categories. Furthermore, respondents under the age of 34 and with at least a university degree are far less likely to play Texas Two Step.

Table 21
Texas Two Step: Lottery Play and Median Dollars Spent per Month by Past-Year Player Demographics

Texas Two Step	Percentage Played	Median Dollars Spent
Education**		
Less than high school diploma	13.2	$25.00
High school degree	12.2	12.00
Some college	13.2	13.50
College degree	7.7	11.00
Graduate degree	1.5	32.00
Income		
Under $12,000	--[14]	--
$12,000 to $19,999	15.4	16.00
$20,000 to $29,999	15.6	15.00
$30,000 to $39,999	3.3	40.00
$40,000 to $49,999	12.2	15.00
$50,000 to $59,999	9.8	5.00
$60,000 to $74.999	12.9	4.00
$75,000 to $100,000	13.4	15.00
Over $100,000	10.1	40.00

[13] The mean for this category is $3.84 when the outlier categories of $50 and $240 (the upper bound limit) are excluded from the analysis.

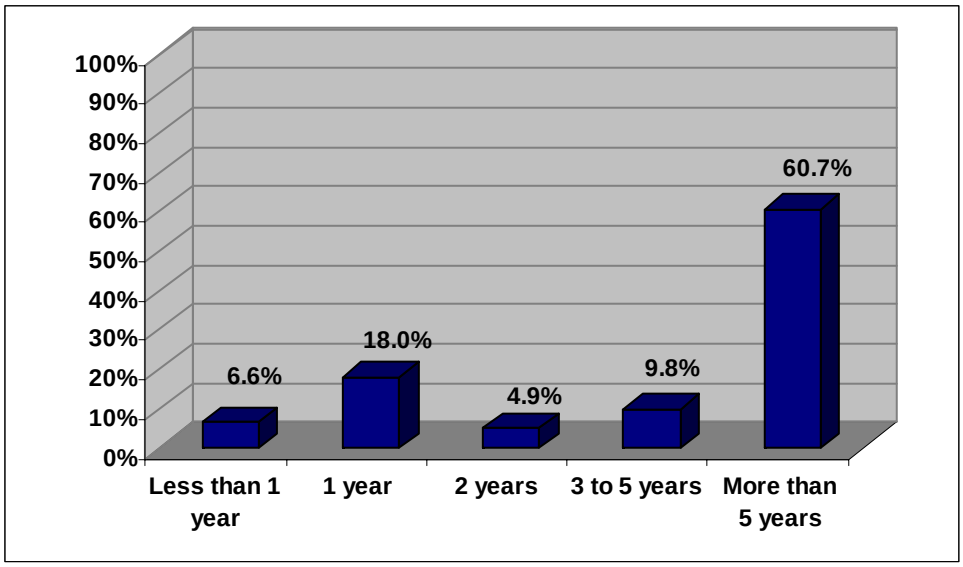
[14] There were no observations in this category.

Texas Two Step (continued)	Percentage Played	Median Dollars Spent
Race		
White/Anglo	9.9	5.00
Black/African American	15.3	12.00
Asian[15]	--	--
Native American Indian	28.6	60.00
Other	6.9	19.00
Hispanic Origin		
Yes	6.7	20.00
No	10.9	11.00
Gender		
Female	11.9	8.00
Male	8.4	16.00
Age*		
18 to 24	5.9	5.00
25 to 34	1.5	18.00
35 to 44	10.4	20.00
45 to 54	15.2	7.00
55 to 64	9.2	15.00
65 or older	12.6	12.00
Employment Status		
Employed full/part time	9.8	15.00
Unemployed	13.4	15.00
Retired	9.8	12.00

Note: *p<0.05, **p<0.01, ***p<0.001.

[15] There were no observations for this category.

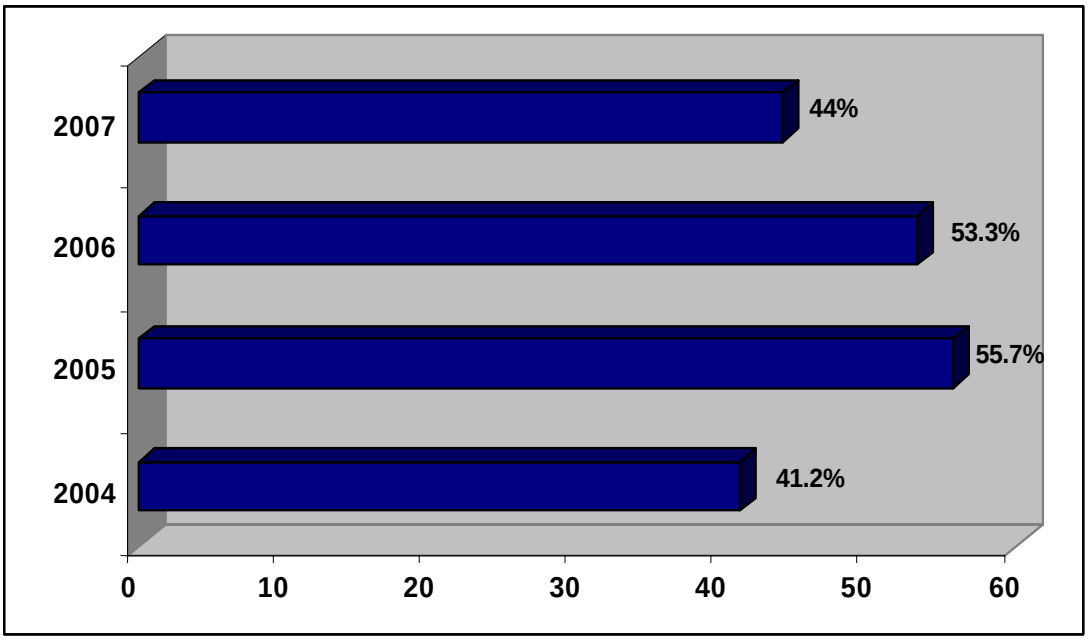
Figure 19
Years Playing Texas Two Step
(n=61)



Sixty-one percent (60.7%) of the respondents that played Texas Two Step reported playing it for more than 5 years as illustrated in Figure 19.

IIIh. MEGA MILLIONS RESULTS

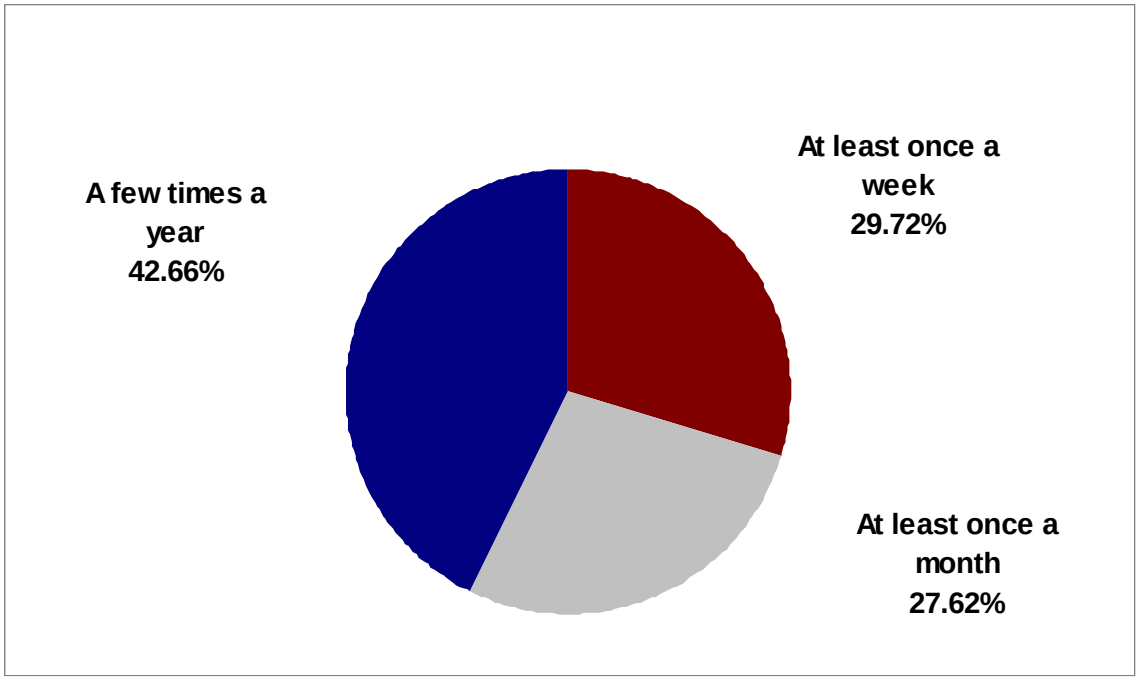
Figure 20
Percentage Playing Mega Millions



Source: Center for Public Policy 2007 survey data and additional survey reports from 2001-2006

Figure 20 shows that 44% of respondents playing any lottery game in the past year said that they played Mega Millions. This was a decrease of almost ten percent from 2006 to 2007 yet the participation in Mega Millions was still higher in 2007 than it was when the game was introduced in 2004.

Figure 21
Frequency of Purchasing Mega Millions Tickets
(n=286)



Approximately thirty percent of respondents purchased Mega Millions tickets at least once a week (see Figure 21). Nearly twenty-eight percent said that they purchased Mega Millions tickets once a month and forty-three percent of the respondents purchased Mega Millions tickets a few times a year.

Table 22
Average Times Played Mega Millions

Mega Millions	Average Number of Times Played
Per week for weekly past-year players	1.55
Per month for monthly past-year players	1.88
Per year for yearly past-year players	3.2

As shown in Table 22, respondents that played Mega Millions tickets played an average of 1.55 times per week, 1.88 times per month, and 3.2 times per year, respectively.

Table 23
Dollars Spent on Mega Millions

Mega Millions	Dollars Spent
Average spent per play	$5.85[16]
Average spent per month (mean)	12.15[17]
Average spent per month (median)	8.00[18]

Mega Millions players spent an average of $5.85 per play and monthly players spent an average of $12.15 per month as shown in Table 23. Approximately half of the respondents were likely to spend $8.00 or more a month on purchasing Mega Millions tickets.

There are no statistically significant demographic differences between past-year Mega Millions players and their counterparts.

As shown in Table 24 on the next page, the percentage of respondents that played Mega Millions varied somewhat by age and income. However, these variations were not statistically significant.

[16] The average number of dollars spent per play excludes the respondents who indicated that they purchased more than $150 of Mega Millions tickets per play. If those respondents are included, the average number of dollars spent for purchasing the tickets is $7.96 per play.

[17] The average number of dollars spent per month on Mega Millions excludes the respondent(s) who indicated that they purchased more than $200 of Mega Millions tickets per month. If those respondents are included, the average number of dollars spent for purchasing the tickets is $17.85 dollars per month.

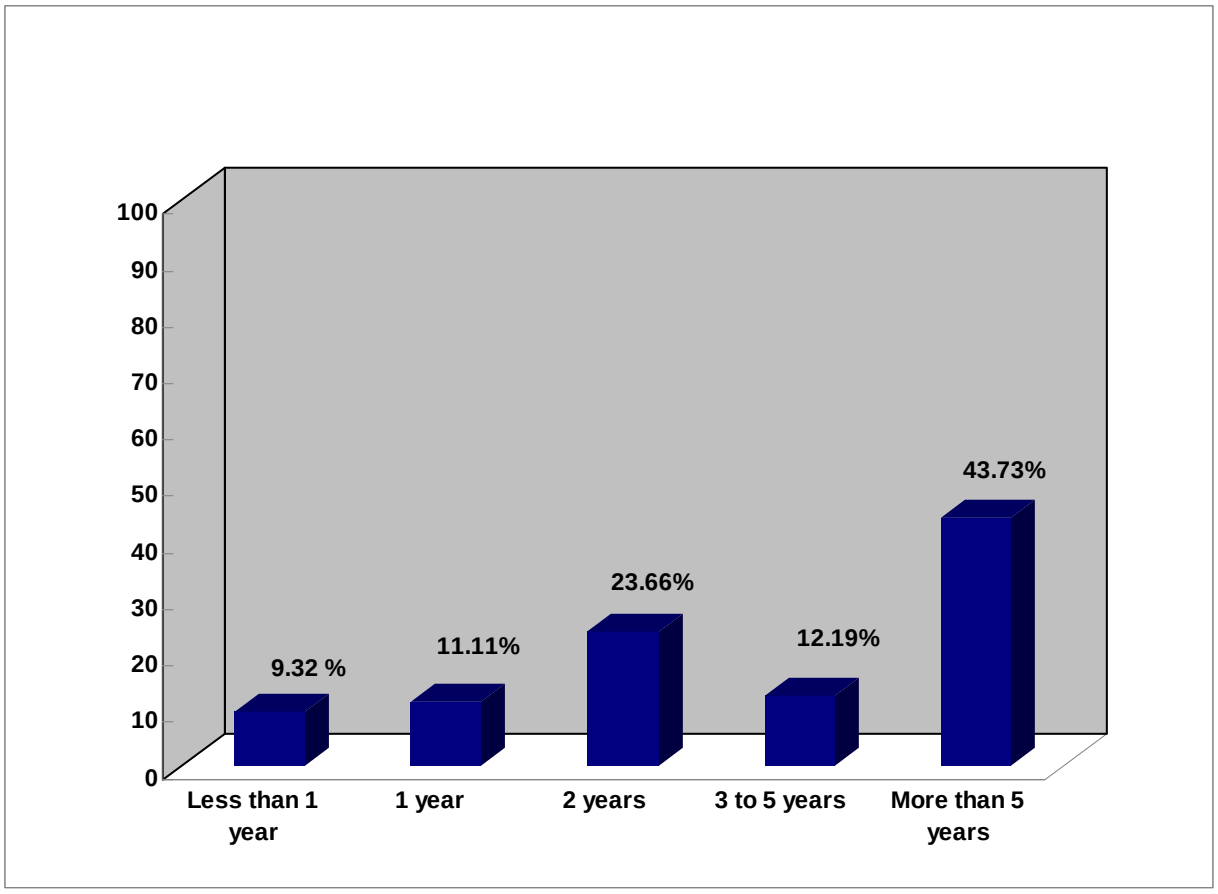
[18] When the respondents who purchased Mega Millions tickets and spent more than $200 per month were included or excluded, the number of median dollars spent on the tickets did not change.

Table 24
Mega Millions: Lottery Play and Median Dollars Spent per Month by Past-Year Player Demographics

Mega Millions	Percentage Played	Median Dollars Spent
Education		
Less than high school diploma	39.5	10.00
High school degree	40.1	5.00
Some college	46.9	10.00
College degree	47.6	5.00
Graduate degree	41.2	9.00
Income		
Under $12,000	26.7	5.00
$12,000 to $19,999	38.5	13.00
$20,000 to $29,999	46.9	6.00
$30,000 to $39,999	49.2	10.00
$40,000 to $49,999	51.0	10.00
$50,000 to $59,999	43.4	10.00
$60,000 to $74,999	48.1	5.00
$75,000 to $100,000	41.8	10.00
Over $100,000	47.8	5.00
Race		
White	42.8	5.00
Black	59.6	10.00
Asian	60.0	20.00
Native American Indian	42.9	20.00
Other	37.1	10.00
Hispanic origin		
Yes	36.7	5.00
No	46.3	10.00
Gender		
Female	44.2	8.00
Male	43.8	10.00
Age		
18 to 24	11.8	11.00
25 to 34	54.9	15.00
35 to 44	42.5	8.00
45 to 54	50.3	8.00
55 to 64	47.4	5.00
65 or older	34.1	8.00
Employment status		
Employed full/part time	44.5	8.00
Unemployed	41.7	2.00
Retired	39.7	8.00

Note: *p<0.05, **p<0.01, ***p<0.001.

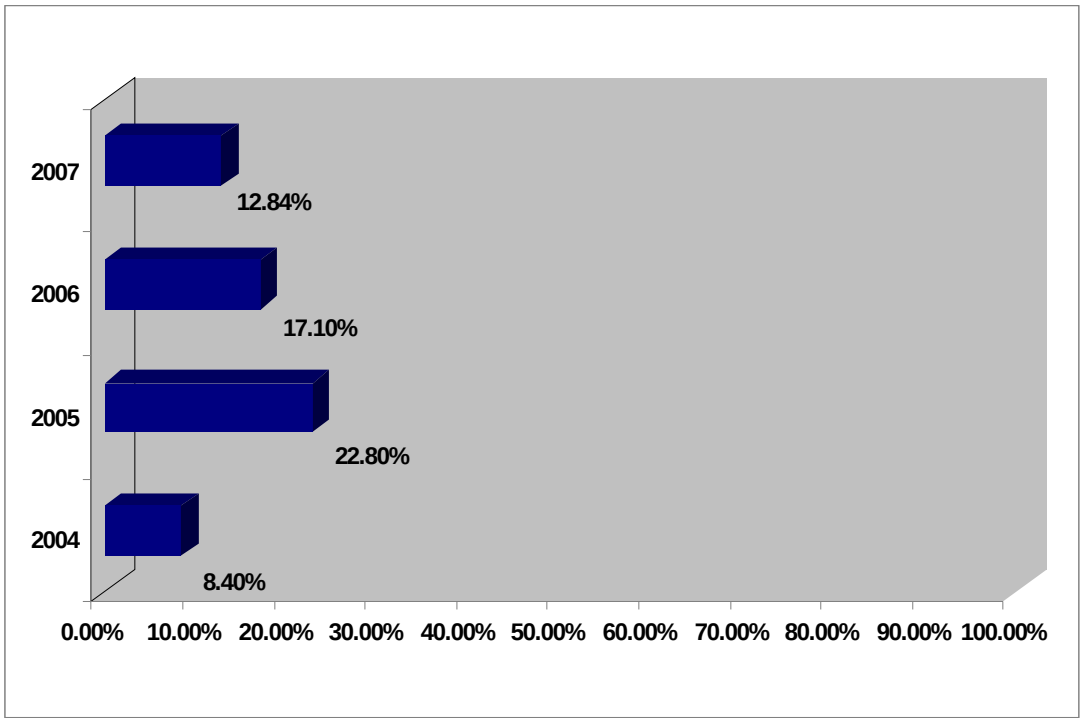
Figure 22
Years Playing Mega Millions
(n=286)



Approximately twenty percent of the respondents mentioned that they have been playing Mega Millions for less than two years. Meanwhile forty-four percent of the respondents have been playing Mega Millions for more than 5 years.

IIIi. MEGAPLIER RESULTS

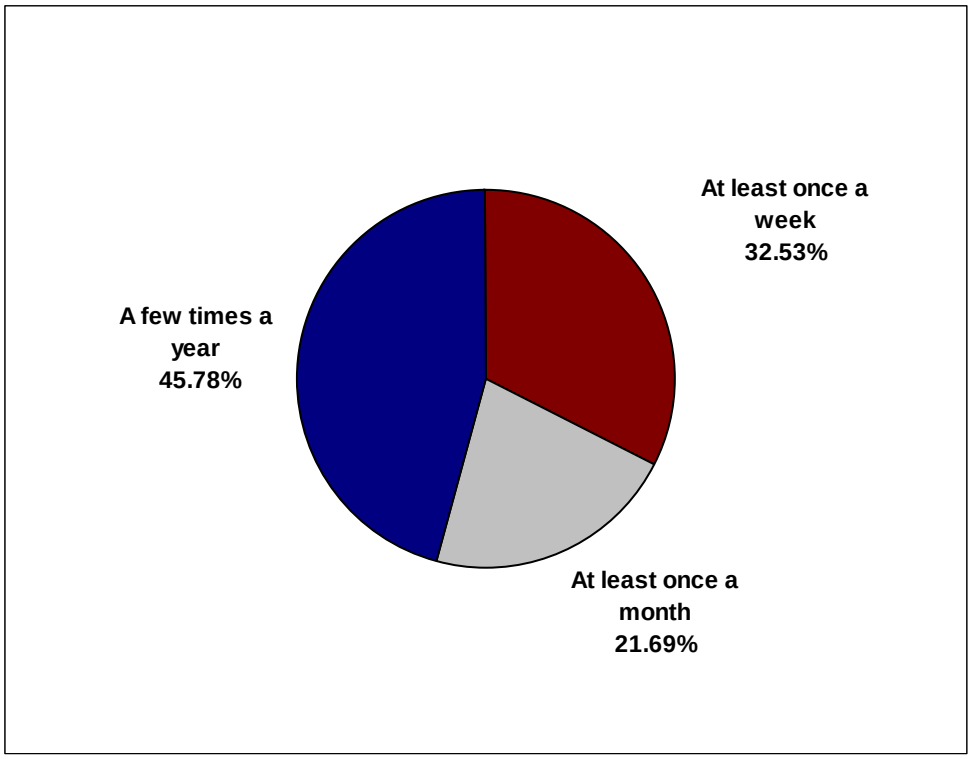
Figure 23
Percentage Playing Megaplier



Source: Center for Public Policy 2007 survey data and reports from 2001-2006

Figure 23 illustrates that nearly thirteen percent (12.84%) of the respondents playing any lottery game in the past year played Megaplier.

Figure 24
Frequency of Purchasing Megaplier Tickets
(n=83)



Slightly more than thirty-two percent (32.53%) of the respondents that purchased Megaplier tickets purchased them at least once a week.

Twenty-two percent purchased tickets at least once a month and 45.78% purchased tickets a few times a year.

Table 25
Average Times Played Megaplier

Megaplier	Average Number of Times Played
Per week for weekly past-year players	2.45
Per month for monthly past-year players	1.64
Per year for yearly past-year players	3.86

Respondents playing Megaplier played an average number of 2.45 times per week, 1.64 times per month, or 3.86 times per year as shown in Table 25.

Table 26
Dollars Spent on Megaplier

Megaplier	Dollars Spent
Average spent per play	$5.81
Average spent per month (mean)	21.41[19]
Average spent per month (median)	9.00[20]

Table 26 shows that Megaplier players spent an average of $5.81 per play. An average of $21.41 was spent per month.

[19] The mean for this category is $16.69 when the outlier category (of $200) is excluded from the analysis.

[20] The median for this category is $8.00 when the outlier category (more than $200) is excluded from the analysis.

Table 27
Megaplier: Lottery Play and Median Dollars Spent per Month by Past-Year Player Demographics

Megaplier	Percentage Played[21]	Median Dollars Spent
Education		
Less than high school diploma	10.53	$17.50
High school degree	13.19	8.00
Some college	14.21	10.00
College degree	11.83	10.00
Graduate degree	12.12	6.50[22]
Income		
Under $12,000	--[23]	--
$12,000 to $19,999	10.26	8.00
$20,000 to $29,999	15.38	9.00
$30,000 to $39,999	19.67	8.00[24]
$40,000 to $49,999	18.37	15.00
$50,000 to $59,999	16.98	15.00
$60,000 to $74,999	16.67	20.00
$75,000 to $100,000	12.31	5.00
Over $100,000	10.0	5.00
Race		
White	12.6	10.00
Black	20.0	10.00
Asian	10.0	8.00[25]
Native American Indian	14.3	22.00[26]
Other	9.4	5.00

[21] The significance markings refer only to the percentage played.

[22] The median amount of money is $5.00 if the outlier values spent on Megaplier are excluded.

[23] No respondent with a household income under $12,000 played Megaplier in the past year.

[24] The median amount is $7.00 if the extreme value(s) are excluded.

[25] Because only one respondent identified as Asian, the number was actually the amount of money which the respondent spent on purchasing Megaplier in the past year.

[26] Because only one respondent is identified as Native American Indian, the number is actually the amount of money which the respondent spent on purchasing Megaplier in the past year.

Megaplier (continued)	Percentage Played[27]	Median Dollars Spent
Hispanic origin		
Yes	8.3	3.00
No	14.1	10.00
Gender		
Female	12.4	5.00
Male	13.4	16.00[28]
Age		
18 to 24	--[29]	--
25 to 34	15.9	8.00
35 to 44	10.4	22.00
45 to 54	20.1	6.00
55 to 64	10.5	6.50
65 or older	9.7	10.00
Employment status*		
Employed full/part time	14.1	8.00[30]
Unemployed	8.3	4.50[31]
Retired	8.7	10.00

Note: * p < 0.05, ** p < 0.01, *** p < 0.001.

Employment status is the only significantly different demographic factor among those that played Megaplier in the past year (see Table 27).

[27] The significance markings refer only to the percentage played.

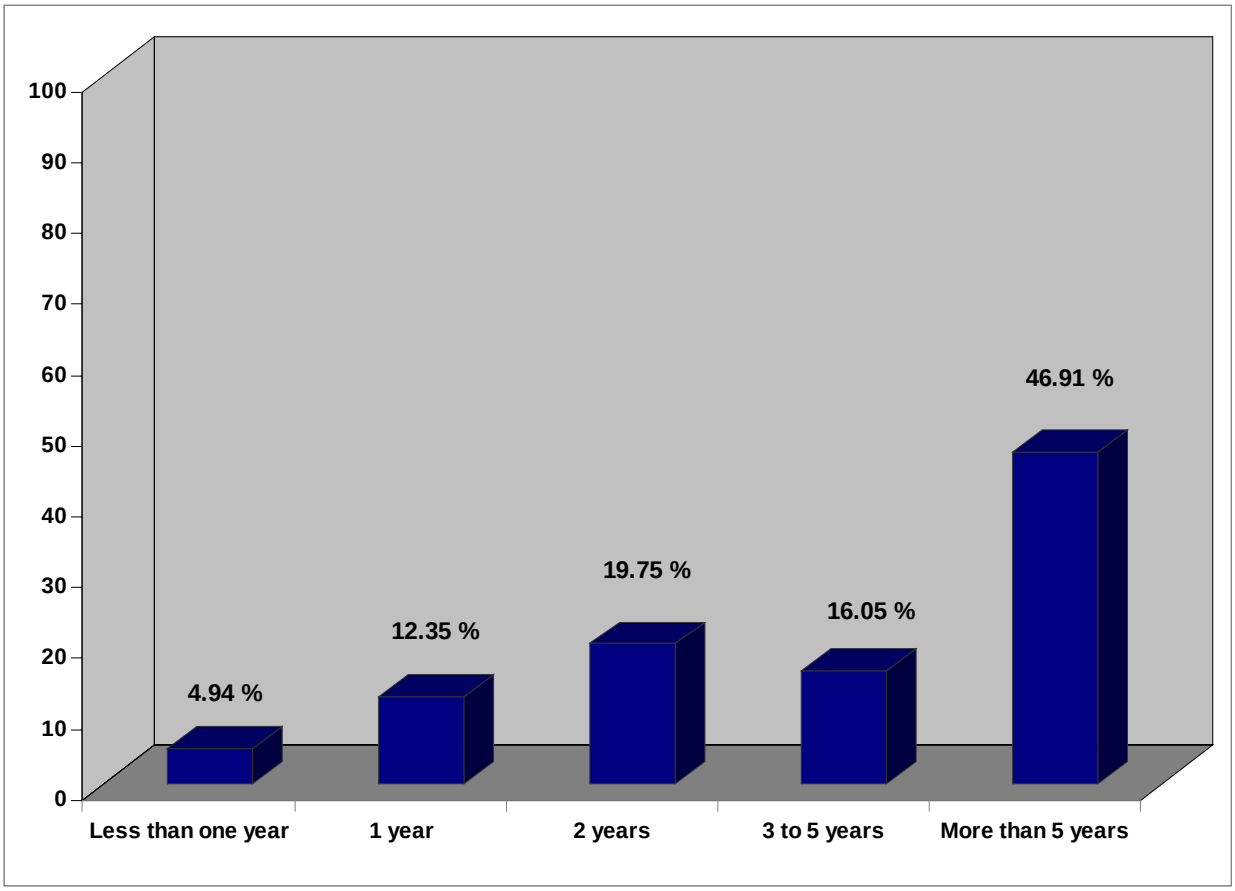
[28] The median amount of money is $13.00 if the outlier values spent on Megaplier are excluded.

[29] No respondents aged 18 to 24 played Megaplier in the past year.

[30] The median amount of money is $7.00 if the outlier values spent on Megaplier are excluded.

[31] There were only two respondents in this category. The number shown in the table is the average of the actual amount of money which the respondents ($1.00 and $8.00 dollars, respectively) spent on purchasing Megaplier.

Figure 25
Years Playing Megaplier
(n=81)



Forty-seven percent (46.91%) of the respondents that played Megaplier reported playing the game for more than 5 years while approximately 17% percent of the Megaplier players reported playing the game for less than 2 years.

IV. SUMMARY

The Texas Lottery Commission's 2007 Demographic Study of Texas Lottery Players surveyed 1,702 Texas citizens between September 12 and October 3, 2007. Thirty-eight percent of survey respondents participated in Texas Lottery games in the past year, a decrease of 7 percentage points from the 2006 survey and 13 percentage points from the 2005 survey. In general, reported participation has declined over time.

When we examine the behavior of past-year players, the data suggests that the effects of education, race, Hispanic origin, and age are not statistically significant for their overall participation rates. However, participation rates among demographic groups can vary by the type of game.

In keeping with the findings of the 2006 survey, the most popular game remains Lotto Texas (85 percent). While Texas Two Step was the least popular game last year, there was essentially a three way tie for the least popular game in 2007. The three least popular games included Pick 3 Night (11.2%), Texas Two Step (10.1%), and Megaplier (12.84%). The game with the highest average monthly expenditure ($33.27) was Texas Lottery Scratch Offs.

An examination of the lottery districts reveals that participation rates in any Texas Lottery game was highest in the McAllen (51.3%), Irving (41.9%), and Austin (41.6%) lottery districts (see Table 3). The lowest rates were seen in the Lubbock (32.1%) and El Paso (30.2%) districts. In terms of expenditures, we find that the Lubbock ($74.25 mean) and San Antonio ($36.08 mean) lottery districts demonstrated the highest average monthly expenditures per player. The Victoria ($10.85 mean) and McAllen ($14.89 mean) lottery districts demonstrated the lowest average monthly personal expenditures.

A new feature in the survey sampling was to include cell phone users in direct proportion to the general population. We find that the cell phone respondents are not appreciably different than the landline respondents in education, income, and race and ethnicity. There are differences in participation rates and gender. Cell phone users in this sample participated at a slightly higher rate (45% v. 38%) and are more likely to be male.

APPENDIX

Table A-1
Sample Population by County[32]
(n=1,662)

County	Count	Percentage
Anderson	6	0.36
Andrews	1	0.06
Angelina	9	0.54
Archer	3	0.18
Atascosa	1	0.06
Bandera	1	0.06
Bastrop	7	0.42
Bee	5	0.30
Bell	14	0.84
Bexar	112	6.74
Blanco	1	0.06
Bosque	1	0.06
Bowie	5	0.30
Brazoria	27	1.62
Brazos	9	0.54
Brown	5	0.30
Burleson	1	0.06
Burnet	5	0.30
Caldwell	2	0.12
Calhoun	1	0.06
Callahan	2	0.12
Cameron	12	0.72
Carson	1	0.06
Cass	3	0.18
Castro	1	0.06
Chambers	1	0.06
Cherokee	10	0.60
Clay	3	0.18
Coke	1	0.06
Coleman	3	0.18
Collin	55	3.31
Colorado	3	0.18
Comal	13	0.78
Cooke	4	0.24

[32] The discrepancy between the sample in Table A-1 (n=1,662) and the total sample (n=1,702) is due to respondents stating that they "did not know" or were "unsure" of their county of residence.

Coryell	8	0.48
Dallas	147	8.84
Dawson	3	0.18
Deaf Smith	1	0.06
Denton	26	1.56
DeWitt	6	0.36
Donley	1	0.06
Ector	7	0.42
El Paso	41	2.47
Ellis	7	0.42
Erath	2	0.12
Falls	1	0.06
Fannin	7	0.42
Fisher	2	0.12
Floyd	1	0.06
Fort Bend	35	2.11
Franklin	2	0.12
Freestone	1	0.06
Frio	1	0.06
Galveston	20	1.20
Gillespie	4	0.24
Gonzales	2	0.12
Gray	2	0.12
Grayson	18	1.08
Gregg	9	0.54
Guadalupe	5	0.30
Hale	2	0.12
Hamilton	2	0.12
Hardin	5	0.30
Harris	282	16.97
Harrison	1	0.06
Hays	6	0.36
Henderson	2	0.12
Hidalgo	24	1.44
Hill	6	0.36
Hockley	2	0.12
Hood	7	0.42
Hopkins	3	0.18
Houston	1	0.06
Hunt	6	0.36
Jack	2	0.12
Jackson	1	0.06

Jasper	2	0.12
Jeff Davis	1	0.06
Jefferson	23	1.38
Jim Hogg	1	0.06
Jim Wells	6	0.36
Johnson	12	0.72
Jones	1	0.06
Kaufman	4	0.24
Kendall	3	0.18
Kent	1	0.06
Kerr	6	0.36
Kleberg	2	0.12
Lamar	3	0.18
Lamb	2	0.12
Lampasas	1	0.06
Lavaca	4	0.24
Lee	1	0.06
Leon	1	0.06
Liberty	10	0.60
Llano	2	0.12
Lubbock	13	0.78
Lynn	1	0.06
Madison	1	0.06
Matagorda	3	0.18
Maverick	2	0.12
McCulloch	1	0.06
McLennan	17	1.02
Medina	1	0.06
Midland	9	0.54
Milam	3	0.18
Mills	1	0.06
Montague	1	0.06
Montgomery	31	1.87
Moore	2	0.12
Morris	2	0.12
Nacogdoches	10	0.60
Navarro	2	0.12
Newton	2	0.12
Nolan	1	0.06
Nueces	18	1.08
Orange	10	0.60
Palo Pinto	3	0.18

Panola	2	0.12
Parker	8	0.48
Pecos	1	0.06
Polk	7	0.42
Potter	11	0.66
Randall	11	0.66
Red River	1	0.06
Refugio	1	0.06
Robertson	2	0.12
Rockwall	4	0.24
Rusk	3	0.18
San Augustine	2	0.12
San Jacinto	2	0.12
San Patricio	1	0.06
Schleicher	1	0.06
Shelby	3	0.18
Smith	23	1.38
Somervell	2	0.12
Starr	3	0.18
Tarrant	118	7.10
Taylor	15	0.90
Titus	1	0.06
Tom Green	7	0.42
Travis	59	3.55
Trinity	1	0.06
Tyler	6	0.36
Upshur	1	0.06
Uvalde	3	0.18
Val Verde	3	0.18
Van Zandt	3	0.18
Victoria	10	0.60
Walker	7	0.42
Waller	2	0.12
Ward	2	0.12
Washington	6	0.36
Webb	13	0.78
Wharton	6	0.36
Wichita	11	0.66
Wilbarger	1	0.06
Williamson	22	1.32
Wilson	1	0.06
Wise	8	0.48

Wood	5	0.30
Young	3	0.18
Zavala	1	0.06