

February 5, 2010
Initiative 09-0099

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

ALLOWS GREATER PERCENTAGE OF STATE LOTTERY REVENUE TO BE USED FOR PRIZES AND REQUIRES SMALLER PERCENTAGE TO BE USED FOR

EXPENSES. INITIATIVE STATUTE. Allows more than 50% of state lottery revenue to be paid in prizes. Reduces revenue allocated for operational and administrative expenses from 16% to 13%. Eliminates requirement that at least 34% of revenue go to public schools, but requires that revenues be distributed in a way “designed to maximize” the benefit to schools. Requires that this measure generate more money for schools than existing law, or existing revenue-allocation laws will be restored. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Estimated increase of several hundred million dollars per year in lottery profits paid to public educational entities. Exact amount of lottery sales and profit growth, if any, would depend on choices by consumers and lottery officials.** (09-0099.)