

Government Oversight Committee
 Additional Information on OPEGA Report of State Lottery
 As requested at GOC Meeting on April 28, 2017

Breakdowns of Maine Lottery Advertising by Station

Maine Lottery Radio Ad Spots by Radio Station for March 2015 through December 2016				
Region & Station	# of Spots	% of Total Spots	Location	Station Format
Augusta-Waterville	6,908	13.84%		
WABK-FM	1,195	2.39%	Gardiner	Classic Hits
WCTB-FM	337	0.68%	Fairfield	Oldies
WEBB-FM	1,337	2.68%	Waterville	Country
WFMX-FM	1,284	2.57%	Skowhegan	Adult Contemporary
WMME-FM	1,406	2.82%	Augusta	Top-40
WTOS-FM	1,349	2.70%	Skowhegan	Rock
Bangor	14,992	30.03%		
WBAK-FM	297	0.59%	Belfast	Classic Hits
WBFB-FM	1,131	2.27%	Bangor	Country
WBYA-FM	45	0.09%	Islesboro	Country
WBZN-FM	1,430	2.86%	Old-Town	Top-40
WEZQ-FM	1,010	2.02%	Bangor	Sports
WHOU-FM	1,110	2.22%	Houlton	Adult Contemporary
WKIT-FM	1,302	2.61%	Brewer	Classic Rock
WKSQ-FM	1,129	2.26%	Ellsworth	Adult Contemporary
WNSX-FM	1,610	3.23%	Winter Harbor	Classic Hits
WQCB-FM	1,189	2.38%	Brewer	Country
WQSS-FM	274	0.55%	Camden	Adult Contemporary
WRMO-FM	3	0.01%	Milbridge	Classical
WVOM-FM	882	1.77%	Rockland	Talk
WWMJ-FM	1,179	2.36%	Ellsworth	Classic Rock
WZLO-FM	1,147	2.30%	Dover-Foxcroft	Adult Album Contemporary
WZON-AM	1,254	2.51%	Bangor	Talk
Calais	2,907	5.82%		
WCRQ-FM	1,466	2.94%	Dennysville	Top-40
WQDY-FM	1,441	2.89%	Calais	Classic Hits

Region & Station	# of Spots	% of Total Spots	Location	Station Format
Farmington	1,246	2.50%		
WKTJ-FM	1,246	2.50%	Farmington	Adult Hits
Portland	19,261	38.59%		
WBLM-FM	1,394	2.79%	Portland	Classic Rock
WCLZ-FM	956	1.92%	North Yarmouth	Adult Album Alternative
WCYY-FM	1,339	2.68%	Biddeford	Alternative
WEZR-FM	1,879	3.76%	Lewiston	Hot Adult Contemporary
WFNK-FM	1,041	2.09%	Lewiston	Classic Hits
WGAN-FM	117	0.23%	Portland	News/Talk
WHOM-FM	1,137	2.28%	Portland	Adult Contemporary
WHTP-FM	1,041	2.09%	Kennebunkport	Top-40
WHXR-FM	735	1.47%	Scarborough	Rock
WJBQ-FM	1,331	2.67%	Portland	Top-40
WJJB-FM	1,672	3.35%	Gray	Sports
WMGX-FM	828	1.66%	Portland	Hot Adult Contemporary
WOXO-FM	1,437	2.88%	South Paris/Mexico	Country
WPEI-FM	1,179	2.36%	Saco	Sports
WPOR-FM	1,180	2.36%	Portland	Country
WTHT-FM	858	1.72%	Auburn	Country
WYNZ-FM	1,137	2.28%	South Portland	Classic Hits
Presque Isle	4,602	9.22%		
WBPW-FM	1,286	2.58%	Presque Isle	Country
WCXU-FM	1,137	2.28%	Caribou	Adult Contemporary
WOZI-FM	1,142	2.29%	Presque Isle	Rock
WQHR-FM	1,037	2.08%	Presque Isle	Hot Adult Contemporary
Total Spots	49,916			

Maine Lottery Radio Ad Spots by Radio Format March 2015 through December 2016		
Format	Spots	% of Spots
Country	8463	16.95%
Classic Hits	6721	13.46%
Top-40	6674	13.37%
Adult Contemporary	6071	12.16%
Classic Rock	3875	7.76%
Sports	3861	7.73%
Hot Adult Contemporary	3744	7.50%
Rock	3226	6.46%
Talk	2136	4.28%
Alternative	1339	2.68%
Adult Hits	1246	2.50%
Adult Album Contemporary	1147	2.30%
Adult Album Alternative	956	1.92%
Oldies	337	0.68%
News/Talk	117	0.23%
Classical	3	0.01%
Grand Total	49916	

Maine Lottery Television Ad Spots by Station for March 2015 through December 2016		
Region and Station	# of Spots	% of Total Spots
Bangor	15,009	36.73%
5704 Time Warner Cable Time Warner/Bangor ME Cable	7,407	18.13%
EABI-TV	1,010	2.47%
WABI-TV	2,180	5.33%
WFVX-TV	637	1.56%
WLBZ-TV	2,227	5.45%
WVII-TV	1,548	3.79%
Portland	18,041	44.15%
7646 Time Warner/Portland Auburn IC-Cable	7,996	19.57%
8448 New England Sports Network NESN/Portland, ME Cable	1,764	4.32%
WCSH-TV	2,493	6.10%
WGME-TV	1,846	4.52%
WMTW-TV	2,308	5.65%
WPF0-TV	868	2.12%
WPME-TV	150	0.37%
WPXT-TV	616	1.51%
Presque Isle	7,814	19.12%
2477 Time Warner/Presque Isle ME Cable	4,531	11.09%
EAGM-TV	642	1.57%
WAGM-TV	2,553	6.25%
WLBZ-TV	63	0.15%
WVII-TV	25	0.06%
Total Spots	40,864	

OPEGA Review of Academic Literature on Socioeconomic Status and Lottery Play

OPEGA reviewed reports provided by the National Conference of State Legislatures and considered additional academic papers to explore whether a link exists between socioeconomic status (SES)¹ and lottery play. The reports referenced an established body of literature comprised of relevant studies that generally shows there is an inverse relationship between socioeconomic status and lottery play. While some of the studies do show a link between lower income and increased lottery play, the larger body of literature includes low income within a larger array of variables that are linked to increased lottery spending/play

¹ Socioeconomic status (SES) is defined by the American Sociological Association as an index of social status that considers a person's occupation, education, and income as measures of social status.

including educational attainment, minority status, lower prestige occupations, location with a disadvantaged geographic neighborhood and composite variables.

Most of the reports and studies OPEGA reviewed did not specifically investigate the reasons behind the inverse relationship between SES and lottery play. They did discuss some of the explanations and theories existing with the body of literature on this topic that might account for the relationship. Some explanations and theories discussed included:²

- lottery play as entertainment or fun;
- lottery play as a rational investment decision for maximizing wealth amongst those who have met their basic needs;
- lottery play as a result of an incorrect understanding of risk and other cognitive biases often linked to lower educational attainment;
- lottery play as a network effect; people who have peers who play also play;
- lottery play as a result of shared cultural beliefs, for instance, regarding luck; and
- lottery play as an outlet for frustrations and tensions resulting from living in a disadvantaged social position.

Sources:

Beckert, Jens and Mark Lutter. 2013. "Why the Poor Play the Lottery: Sociological Approaches to Explaining Class-based Lottery Play." *Sociology*. 47: 1152-1170.

Clotfelter, Charles T., et al. 1999. "State Lotteries at the Turn of the Century: Report to the National Impact Study Commission."

Kearney, Melissa Schettini. 2005. "The Economic Winners and Losers of Legalized Gambling." Brookings Institution.

Oster, Emily. 2004. "Are All Lotteries Regressive? Evidence from the Powerball." *National Tax Journal*. 47.2

See also some of the studies referenced as establishing inverse relationship:

Worthington, Andrew C. 2001. "Implicit Finance in Gambling Expenditures: Australian Evidence on Socioeconomic and Demographic Tax Incidence," *Public Finance Review*. 29.4 (July): 326-342.

Scott, Frank and John Garen. 1994. "Probability of purchase, amount of purchase, and the demographic incidence of the lottery tax," *Journal of Public Economics*. 54 (May): 121-143.

Miyazaki, A., et al. 1998. "A Longitudinal Analysis of Income-Based Tax Regressivity of State-Sponsored Lotteries," *Journal of Public Policy and Marketing*. 17.2: 161-172.

Clotfelter, Charles T. and Philip J. Cook. 1989. *Selling Hope: State Lotteries in America*. Cambridge, MA: Harvard University Press. [Also 1987 article]

² Derived from Beckert and Lutter (2013)