



*Advocates for Children and Youth improves the lives and experiences of Maryland's children and youth by advancing policies and programs across multiple issue areas that tackle racial disparities and improve outcomes to ensure that every child has the opportunity to thrive. [www.acy.org](http://www.acy.org)*

## **Testimony before the Ways and Means Committee**

**In SUPPORT of**

**House Bill 1326- State Lottery- Unclaimed Prizes- Distribution to Local Boards of Education**

**Shamoyia Gardiner, Education Policy Senior Associate, Advocates for Children and Youth (ACY)**

**March 12, 2019**

The jurisdictions that are home to school districts with high concentrations of students living in poverty tend to be the same jurisdictions with high rates of low-income adults participating in the state lottery. The correlation isn't unique to Maryland—in fact, most lottery tickets in America are purchased in the poorest neighborhoods.

Americans who make less than \$10,000 annually spend an average off \$597 (6% of their total income) on lottery tickets.<sup>1</sup> Nationally, places with high populations of residents of color tend to have more lottery ticket sales than predominantly White areas.<sup>2</sup> This is less a personal decision-making issue than it is a disturbing phenomenon—about 20% of Americans believe that winning the lottery is the only way they can acquire savings.<sup>3</sup> **It is hard to deny that lottery systems rely heavily on the participation of low-income adults.**

Given that information, House Bill 1326 poses an equitable pathway to supplementing school funding. By giving local boards of education a pro-rated share of the total unclaimed state lottery funds each year, Maryland would be a pioneer in how it operates its gaming and education systems. **This way, a portion of the funds spent by low-income adults of color on lottery tickets end up reinvested in Maryland schools with high concentrations of poverty—which tend to serve students of color.**

In light of the estimated costs of the Kirwan Commission's recommendations over the next decade, it makes sense to look for as many innovative funding streams for our schools as is possible. HB 1326 is an interesting step in the right direction and for those reasons **ACY urges a favorable report on this bill.**

---

<sup>1</sup> Beckert, Jens and Lutter, Mark. "Why the Poor Play the Lottery: Sociological Approaches to Explaining Class-based Lottery Play" SAGE Journals. December 17, 2012.

<sup>2</sup> Clofelter, et al. "State Lotteries at the Turn of the Century" Duke University. April 23, 1999.

<sup>3</sup> Consumer Federation of America and the Financial Planning Association. "How Americans View Personal Wealth Vs. How Financial Planners View This Wealth." January 9, 2006.

[https://consumerfed.org/pdfs/Financial\\_Planners\\_Study011006.pdf](https://consumerfed.org/pdfs/Financial_Planners_Study011006.pdf)

