The state lottery will have a direct impact on the future of Tennessee’s citizenry through education, job preparedness, and reduction of debt.
As the prime legislative sponsor of Tennessee’s lottery, you can well imagine what a victory I felt on November 5, 2002, when voters overwhelmingly approved removing the constitutional ban on a state lottery. The outcome of that vote will have a direct impact on the future of Tennessee’s citizenry through education, job preparedness, and reduction of debt.

Tennessee has long suffered a budget crisis. That fact has been confirmed by fiscal experts and economists. In 2001, Tennessee lost its cherished AAA bond rating, which reflected Standard and Poor’s lack of confidence in the state’s ability to handle its finances. Although efforts to achieve a solution to the many causes of our economic plight continue as they have over the past several years, there is still no clear political or legislative support for a long-term solution.

Unfortunately, one of the primary areas affected by the revenue shortfall is education. This should greatly concern all citizens. If education continues to get shortchanged, we will squander our state’s future.

Our new lottery will by no means solve the state’s chronic budget crisis. The state’s finances have deteriorated to such an extent that even if the proceeds from a lottery were put into the state general fund, that amount would not be sufficient to rectify the problem.

Although I support genuine tax reform to correct our current regressive system, I do not expect such reform to occur in the near future. Instead, I expect a patchwork, quick-fix approach that will include increasing the sales tax, increasing fees and tuitions, and robbing a few other dedicated state funds as was done in 2001 with the tobacco settlement money.

Because tax reform is unlikely to happen anytime soon, without a lottery there would have been no additional revenues to provide for much-needed programs such as pre-kindergarten and certainly no funds to provide for college scholarships.

Our lottery is patterned on Georgia’s lottery and likewise uses all net proceeds from the lottery to supplement, not supplant, existing resources for new and specific educational purposes and programs. Georgia’s HOPE (an acronym for Helping Outstanding Pupils Edu-

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The economic impact from beginning one’s career debt-free cannot be overstated in terms of the long-term benefits it provides individuals as well as our economy.
tery will lead to gambling addiction. However, Gallup and Roper polls have shown that pathological and problem gamblers seldom play the lottery. Those polls suggest that casinos and sports gambling are what attract gamblers and cause problems because of the charge received from attempting to beat the odds. That’s the juice that the gambler needs, not the odds of a game of pure chance such as the lottery.

Lotteries, which do not involve skill, are not attractive to serious gamblers. Lotteries lack the immediate rush that the compulsive gambler craves. They also lack the electrified casino atmosphere and the “thrill of victory and agony of defeat” that sports betting provides.

Should gambling warning labels be put on lottery merchandise to warn players of potential gambling addiction? I doubt it. Would they be heeded any more than the warnings on liquor bottles, beer cans, or cigarette packages? Currently, the Tennessee Education Lottery Corporation helps to promote responsible play by using the tagline “Play Responsibly” on all its merchandise, from tickets to posters to banners. The organization should be commended for this effort as well as its ongoing success in raising millions of dollars for education programs as the Tennessee General Assembly mandated and the public ratified.

Second, there is the argument that Senator Lamar Alexander makes that the state should not support gambling. Yet there are lotteries in almost every free country in the world: in Communist China, in Russia, and just about everywhere but Afghanistan, Iran, Iraq, and Korea. I appreciate Senator Alexander’s concern, but that’s out of touch with the citizens of our state, 58 percent of whom voted for the lottery. Senator Alexander might say, “Should the government be in that business?” Well, if the government doesn’t encourage it, it’s got two other options. It can prohibit it, which is repressive and would send people to other states. That’s like being an ostrich and putting your head in the sand. Or the state can have a lottery but let a private group run it. That’s not a good idea, either. It’s better for the state to run it and benefit from it than to have a private group run it.

Third, there is the fear that the lottery will increase enrollment to the point that it will cost more to have more facilities and more professors. True, you will have more students. However, we can accommodate a certain additional number of students in the same classroom and with the same number of professors; they are not all filled to the max. Classes can be staggered and held early or late or perhaps on weekends. This happened in Georgia with staggered hours and early morning and evening classes. Nonetheless, at some point, we may need more classrooms and professors. But do not forget that this will mean more graduates with higher-paying jobs that will boost the state’s economy and also more support for higher education funding as legislators will hear more voices pleading on behalf of higher education.

So far, the response to our lottery has been extremely good. People are playing in record numbers. Applications at our state colleges are up, which means we are seeing the intended result of more Tennesseans having the opportunity to attend college in our state, where they are likely to stay—all translating into Tennessee’s having a better educated workforce.

In conclusion, people are playing the lottery and enjoying it; moreover, the lottery corporation has created jobs. It is a billion-dollar business. I have great satisfaction in knowing that I created a billion-dollar business.

Steve Cohen, state senator from Memphis, has long been a proponent of a state lottery.