

December 1, 2019

North Carolina Lottery Commission 2728 Capital Boulevard Raleigh, NC 27604

Dear Commissioners,

The agenda for the North Carolina Lottery Commission meeting on December 3 includes the consideration of initiating "Digital Instants" in North Carolina. These are online lottery games, which closely mimic video poker and video sweepstakes. In essence, the approval of Digital Instants would bring video sweepstakes gambling to every mobile phone, mobile device and home computer in our state. The North Carolina Family Policy Council is very concerned about this proposal and requests that you oppose Digital Instants in North Carolina.

Online video gambling of this sort is particularly addictive and will result in higher levels of pathological and problem gambling among North Carolina citizens. Decades of research clearly demonstrates that individuals battling a gambling addiction experience higher levels of crime, embezzlement, personal bankruptcy, domestic violence, child abuse, divorce, and even suicide. The addition of Digital Instants by the NC Lottery Commission would inevitably lead to increases in these areas bringing greater harms to North Carolina families and communities.

According to a November 5, 2019 presentation on Digital Instants by NC Lottery staff, these games would be designed to maximize the duration of time participants gamble and the frequency of visits to the lottery website through enticing games and a high level of payouts. The following are a few excerpts from slides included in the Nov. 5 presentation:

- "Higher payouts lead to longer play times, more engaged players and eventually more frequent visits."
- "Clicking is faster than scratching," and "animations jump out at players when they win."
- "Unlike retail...players are deliberately visiting a digital instants site to escape and play."

The types of games offered would include themes based on blackjack, keno, dice, sports games, cartoon characters, Christmas and other holidays, etc. All of these themes are especially attractive to youth and young adults who are particularly susceptible to gambling addiction.



We also understand the daily player deposit limit is proposed to be set at or around \$500 a day, \$2,000 a week, and \$4,000 a month (which equates to \$48,000 a year). This is a significant amount of money a player could transfer into their account and lose in a relatively short period of time.

The approval of Digital Instants would represent a huge expansion of state-sponsored gambling in North Carolina that will entice more and more citizens to throw away their hard-earned dollars on a false "get-rich-quick" scheme. In the process, this will result in more lottery players going deeper into debt and more families being ravaged by the inherent economic and social problems associated with gambling debt and gambling addiction.

The NC Family Policy Council respectfully requests that you oppose the initiation of "Digital Instants" in North Carolina.

Sincerely,

John L. Rustin, President NC Family Policy Council