

Illinois Lottery Special Instant Scratch-Off Task Force Meeting 5 | Minutes

Monday, March 10, 2025, 8:30am CDT

Meeting Held via Webex

Task Force Members:

- Dir. Harold Mays, Member, via Webex
- Diana Sheehan, Member, via Webex
- Sara Barnett, Member, via Webex
- Sen. Mattie Hunter, Co-Chair, via Webex
- Sen. Bill Cunningham, Member, via Webex
- Sen. Donald DeWitte, Member (absent)
- Sen. Sally Turner, Member, via Webex
- Rep. Dan Swanson, Member, via Webex
- Rep. Eva-Dina Delgado, Co-Chair
- Rep. Elizabeth 'Lisa' Hernandez, Member (absent)
- Rep. Norine Hammond, Member, via Webex

Lottery Staff:

- Scott Gillard, Chief of Staff, via Webex
- Amber Chappell, Chief Financial Officer, via Webex
- Mason McDaniel, Legislative Liaison, via Webex
- Cornell Wilson, General Counsel, via Webex

Allwyn North America Staff:

- Lorell Lynch-Director Public Affairs Community Outreach and Events, via Webex

Other Attendees:

- Kathy Gilroy, member of public, via Webex
- Dave Olsen, Alzheimer's Association, via Webex
- Dr. Layla Suleiman, on behalf of Task Force Member Rep. Hernandez

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CALL TO ORDER/ROLL CALL

Task Force Member Dir. Mays, welcomes everyone that is in attendance. The meeting is called to order at 8:35am, roll was taken, quorum was achieved but not required. Members and Lottery/Allwyn staff in attendance introduced themselves.

PUBLIC COMMENT

Dave Olsen, President - Alzheimer's Association, Illinois Chapter

"The Association wants to thank Director Mays and his team for all their work on specialty tickets and the program. Thanks to everyone for their work to ensure funding increases over the last few months as this is critical for the Association. Asks the task force to consider the Alzheimer's Association's budget and reminds members increasing the total causes decreases revenues to other special causes".

OLD BUSINESS

Approval of Minutes

Task Force Member Dir. Mays seeks to approve minutes from Meeting #4, members concur, previous minutes approved.

Goal of Meeting 5 | Discuss/Review the Presentation – Task Force Member Harold Mays

Task Force Member Rep. Delgado, suggested starting with the presentation and we can circle back if time allows.

Task Force Member Dir. Mays, reviews current program structure, touches on proposal to increase program to 12, rotate expiring causes. Keeping one joint ticket at the \$5 price point, is the best choice if we use one ticket to fund the program. Dir. Mays suggests if expanding program to 12, eight permanent causes receive same share per year, the others would share remaining proceeds, then opens floor to members. **Task Force Member Sen. Hunter** asks for clarification, and shares concerns over the proposal.

Task Force Member Sen. Cunningham, the four new charities would split the delta, if revenue grew, they could potentially get more than half million? **Task Force Member Dir. Mays**, confirms and adds historical context for **Task Force Member Sen. Hunter**, the breast cancer ticket has earned around \$600k, the recent change enabled a dramatic increase.

Task Force Member Rep. Swanson, do you have a break-down of all 10 tickets, where they were in the past and where it would take them? **Task Force Member Dir. Mays**, yes, referenced presentation with averages and breakdowns, explained the presentation slide and provided additional details to **Task Force Member Rep. Swanson** regarding proceed distribution.

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Task Force Member Rep. Swanson, in FY24, where did the \$1.5M go before DREAM/UNCF were added? **Task Force Member Dir. Mays**, FY24 was the transition year to the new joint ticket mid-FY24, previously everyone had their own; further explained ticket history.

Task Force Member Dir. Mays, we think that would maintain consistency seen thus far and will solve issues of how to expand the program as well as extending HIV and breast cancer.

Task Force Member Rep. Delgado, regarding floating causes, what will be the process for choosing two floating causes and how do we off-board them? **Task Force Member Dir. Mays**, we hoped to spend this meeting discussing that. **Task Force Member Dir. Mays**, switching over to the previous presentation. Regarding going to 12, this will require legislation to extend programs and make two causes permanent, who would take the lead in making Breast Cancer and HIV permanent coming from outside organizations?

Task Force Member Rep. Delgado, do we know if somebody has introduced either a sunset extension or attempts to make HIV permanent? **Task Force Member Dir. Mays**, not at this point.

Task Force Member Rep. Delgado, let's hold that question Director until we get through the presentation and then we can discuss technicalities of moving legislation.

NEW BUSINESS

Program Selection, Administration, New Cause Selection Criteria

Task Force Member Dir. Mays, briefly touched on this in the previous meeting what it would look like to formally administer the program by putting guardrails in place around legislation and new causes being introduced and approved. Dir. Mays, shared high level options for program administration, creating a new joint committee to specifically monitor new causes as we typically see two to four new causes trying to enter the program through legislation every year. Suggesting also, this could be delegated to a standing committee could assume this responsibility or leave it to the legislative process as it currently operates.

Task Force Member Rep. Delgado, asks, when you say joint committee, would that be something like what we are part of now or is that something that that would be administered by the Department? **Task Force Member Dir. Mays**, yes - something like we have now.

Task Force Member Rep. Delgado, suggests, there could be another option where the Department has a process by which they determine who comes in/out of the program. I don't know if that's something you all have ever undertaken before or if you have the expertise in house to be able to do something like that; or possibly members prefer leaving this up to the legislature to determine.

Task Force Member Sen. Cunningham, my inclination is to seek a bipartisan committee, like this task force, that maybe decides two new charities every two years, seems workable. Obviously, won't be easy as many charities will want to be included and multiple bills will be introduced resulting in Leadership not calling any out of fairness. Perhaps, moving a bill that creates a permanent bipartisan committee that decides on charities every two years, but open to suggestions.

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Task Force Member Sara Barnett, feels like 12 causes could get unwieldy. But is there a way to change criteria similar to a competitive grant where other causes would need to apply to the committee in two-year cycles? **Task Force Member Rep. Delgado**, I like a mix between Sara and Leader Cunningham, a process where charities could be competitive and be evaluated and then the joint committee would determination while ensuring causes understand the competitive process. And/or do we put limitations in place establishing time periods. **Task Force Member Sen. Cunningham** likes the suggestions.

Task Force Member Rep. Swanson, asks for clarification regarding two-floating causes and shares that he likes the idea of a grant which gives nonprofits the opportunity to apply and to receive the dollars that would be available.

Task Force Member Rep. Delgado, the time-period is important because removing a cause that has received funding for ten years would be very difficult.

Task Force Member Dir. Mays, we have had causes with one- or two-year sunsets, this is doable. Adds perspective around the grant program, difficult process for causes to complete. A grant program might add structure, but it would also broaden the participation resulting in dramatically more causes applying and wanting to participate.

Task Force Member Rep. Delgado, question remains as to who develops criteria and who would be responsible for vetting it out? While a standing committee makes sense, the criteria question is still unanswered. **Task Force Member Dir. Mays**, agreed. How do we structure this program to determine the criteria, would this be the committee's responsibility, or would we develop suggestions regarding operation in advance and then share with the committee?

Task Force Member Sara Barnett, suggested perhaps the scoring of a grant on the committee, would likely need Dept. of Public Health or help from agencies that are generally tasked with administering these funds. **Task Force Member Dir. Mays**, it would also depend on the cause/topic. So having generally criteria for every possible cause, budget, and different missions might not be universal for all causes. **Task Force Member Rep. Delgado**, thinks this will make selection difficult because causes could be all be very different and specific criteria would be an equalizer across the causes.

Task Force Member Sen. Hunter, suggest Lottery staff develop criteria and present to the task force for review? **Task Force Member. Sen Turner**, agrees. **Task Force Member Sen. Hunter**, since the Department is aware of the member's feelings regarding the causes, thinks its important to hear form various Departments. **Task Force Member Dir. Mays**, we'll do research and offer suggestions. So, we agreed on joint bipartisan committee, confirmed with members that this will be a new entity, not part of another committee. **Task Force Member Rep. Delgado**, confirmed.

Task Force Member Dir. Mays, regarding sunsets, I suggest either one or two, asks the Task Force for preference of one or two. **Task Force Member Sen. Cunningham**, suggests whatever is easier for the Department to administrate. **Task Force Member Rep. Delgado**, one year turnover might be difficult as it would happen very quickly but defer to the administrators.

Task Force Member Rep. Swanson, do we need to add two more Lottery tickets if we use the remaining delta as a total grant application process? Then annually or quarterly, organizations could apply for this grant, similarly to DVA. **Task Force Member Dir. Mays**, good call out. Hearing

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we want to act like a grant program but unsure we prefer to set up an actual grant program, or are we? **Task Force Member Sen. Cunningham**, maybe the Department can examine how other states administer competitive grants to use as a template and then recommend a one- or two-year term. The Department is then doing the administrative work and reporting back to the joint committee with recommendations and the committee would pick two.

Task Force Member Sen. Turner, likes Task Force Member Sen. Cunningham's suggestion, do we need to develop criteria such as public benefit or various requirements? **Task Force Member Sen. Cunningham**, maybe Rep. Swanson knows about criteria DVA uses. **Task Force Member Rep. Swanson**, confirms – yes the DVA has stringent guidelines. A committee meets quarterly to review. Director Prince would be more than happy to share their process and guidelines.

Task Force Member Dir. Mays, we should be able to find good information on how to structure from a section standpoint and administratively we can explore this. Another piece of this, a formal grant program versus acting like a grant program. Right now, each cause is set up in a way that funds can easily receive funding.

Cornell Wilson - Lottery GC, adds some clarity around avoiding a grant program at the Lottery, as we do not have staff or expertise to manage and comply with GATA requirements and/or other rules or restrictions. Currently, the GA directs us as to which causes receive funds and we transfer the funds, trying to mirror this outcome without an actual grant program.

Task Force Member Rep. Delgado, understood – the Lottery is not a grant making agency, so we would need some partnership depending on the grantee, is that accurate? **Cornell Wilson – Lottery GC**, correct. Leaning towards a set of criteria for entry and if causes meet these criteria, then present to this future body for final selection, prefer the Lottery not make this final selection. **Task Force Member Rep. Delgado**, understood. **Task Force Member Dir. Mays**, its setting it up like a grant program without formally creating one. **Dr. Layla Suleiman** (on behalf of Force Member Rep. Hernandez), it could be an application rather than a grant review.

Task Force Member Dir. Mays, and then determining criteria that we could use in the application, so everyone is aware of the requirements.

Task Force Member Rep. Delgado, opens floor for final questions/comments, seeing none, **Task Force Member Dir. Mays asks for motion to close the meeting.**

NEXT STEPS – THE DEPARTMENT

- The Department will communicate with various agencies/departments that oversee similar grants and report back to the task force.
- Explore the creation of a program structured like a grant program without formally creating one.
- How to level the playing field for the various causes and different organizations that exist.
- The Department will attempt to develop criteria for selection of new causes.
- Still undecided, one- or two-year sunsets for new causes.

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Closing Remarks – Task Force Member Dir. Harold Mays

- Members agreed on a Joint Bipartisan Committee.
- Lottery would not be the body making the final cause selection.

*****Subsequent Task Force meetings have been scheduled for April 7 at 9:00am, May 5 at 9:00am, June 16 at 9:00am, July 7 at 9:00am*****

ADJORNMENT

With all business concluded, motion to adjourn at 9:30am. **Motion approved, meeting five complete.**

Respectfully submitted by,
Mason McDaniel, Legislative Liaison