

**Qualities NOT found in
Rick Perry, John Cornyn, or the Texas Lottery ...**

INTEGRITY, HONESTY, & ETHICS

My Story
**A Three Year Battle For
Fairness & Honesty**

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I dedicate this story to all of you who have taken your valuable time to voice your concerns and for the many, many messages I have received of thanks and encouragement. Now I'm telling you all ... so the final outcome lies in your hands.

As a courtesy, I have a special page on my web site where you can go to easily access the many footnotes included in this story. The address is:
<http://www.lottoreport.com/mystory.htm>
(Just copy and paste into your browser)

It's time for us to speak up. **But this time, with our votes.**

Introduction

You all know that for the past 3 years we [players] have fought hard to prevent changes to our lottery games - literally thousands of you have taken your valuable time to comment. I believed commenting would work and it should have.

I've gone to Austin countless times to voice our concerns, complaints and objections. I've written to the TLC, the Commissioners, the Governor, the Attorney General and the District Attorney.

The issues at hand involve withholding public information, tactics used to keep more than the states share of lottery revenues, agencies sticking together, lies and lawsuits.

Yet, with the exception of the "shall" and "may" issue (flexible payouts), we were never heard. No actions were ever taken to stop the TLC from preying on the people or from being greedy, unfair and dishonest. I can say this because we all know what the end results were.

I've tried everything I could think of - all to no avail.

Well, I think I finally figured out how to change things - it came to me as I watched the debates between Governor Perry and Tony Sanchez. Between what was said during the debate and what I've read, the solution finally hit home.

With this in mind, I want you to share with you everything that's happened to me in the past 3 years, what I've done and discovered and finally, the end result.

For those of you who are reading this story that are not lottery players, I urge you to continue reading. The reason is simple - I'm demonstrating how our current elected officials handled adversity.

Clarifications

I want to make certain that you understand that I have not been paid by any party for any type of endorsement nor have I been paid or asked by anyone to write this editorial. I do not know any of the elected officials nor do I know any of the candidates that are currently running for office. This includes Governor Perry, Attorney General John Cornyn, District Attorney Ronnie Earl or Mr. Tony Sanchez.

I do know the TLC staff. This includes Ms. Linda Cloud, Kim Kiplin and the Commissioners.

I do not consider myself either a democrat or a republication. I vote for whichever candidate I feel is best for the job - no matter what he is. And for the record, I don't always vote.

The reason - if I don't know the issues and the parties, then how can I know which candidate is best suited for the job? Why risk casting a vote that could elect the wrong person. At times, I choose to simply trust the judgement of the majority of the people who vote to put these people in office.

In fact, this is one of the reasons that I am taking my time to share my story. I feel strongly that I am not alone in the "lack of knowledge" area concerning politics. I firmly believe my story can help you decide who you think will best serve us and what we can do to help ourselves.

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For the record

I am in favor of a state lottery but only if it is honest and fair.

Previous political involvements

To set the record straight beforehand, until the past couple of years, the closest I have ever been to any "political involvement" is three fold.

One

In 1994 my husband was one of Bush's campaign pilots. As a result, we were in Austin on election day in Nov. 1994 - which turned out to be a victory celebration. The event was over in a period of 2 days.

Two

My nephew, who was and is interested in politics, was able to accompany my husband one day on a flight where they took Nolan Ryan home from a Bush press conference at Dallas Love Field. En-route back to Dallas, they stopped and picked up Pete Sessions in College Station.

On this day in 1994, my nephew, who was a political science student, met (who is now) President Bush. My nephew later went to work for Governor Bush as an intern. Further, my nephew worked as an intern for Kay Bailey Hutchinson in Washington.

Three

Going way back to 1969 & 1970, I knew Jim Mattox. He lived in an apartment complex where I worked. In fact, I use to collect his rent! I never socialized with Mr. Mattox nor were we ever "friends."

How can I write this editorial?

As a direct result of the many problems and discoveries that I've made involving the Texas Lottery Commission (a state agency) and our elected officials, I've been educated. I've learned everything the hard way.

It is because I know, without doubt, that our current elected officials were aware of inappropriate and under-handed business practices that I can write this story.

This past 3 years I have devoted myself completely to fighting for survival, fighting for fairness and fighting for open government. This battle effects us all - not just me.

I do not consider that I was successful in my endeavors. No one listened to me, no one listened to the people and no one took actions to correct the situations detailed. I feel our elected officials have considered us [lottery players] to be a thorn in their side yet they've taken \$29.7 billion from us and continue to take our money while implementing rule changes that creates a climate for mistrust.

I believe that some folks wish now, they had listened to me and acted on these issues. But it's too late. They had their chance.

A little bit about me

The most important thing you need to know about me on a personal note is that I have serious "hang-ups" about people who lie to me. The reason for my "hang-up" is that my mother was an alcoholic.

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For those of you who have no idea what the qualities of an alcoholic are, first and foremost, they lie. Any recovered alcoholic will confirm this for you.

I am a law abiding citizen, I'm reasonable, I'm patient, I'm fair, I'm intelligent, and I'm honest. Just don't ever lie to me - this would be a mistake especially if I'm "forced" to work with you. If one lies, then there is no trust. Without trust, we have nothing.

I also believe that a persons actions speaks for itself. Actions today represent actions of tomorrow.

Many of you have asked, '*What can we do to change things at the TLC and what can we do to be heard?*'

I think I know the answer now, but it is up to you, the voting public, the people of Texas, to draw your own conclusions and to act on them. What you'll read here is **my story - the battle I fought for all of us**. The opinions expressed are mine and mine alone but the facts are the facts.

The Governors Job - Duties of the Governor - My interpretation

To me, the job of "Governor" would be the same as the CEO, President or Owner of any company. It is his sole responsibility to oversee and manage the income (taxes), the expenses (budgets), employee (appointee's) relations, customer (consumer) relations, and approve all rules and regulations (laws) that we need.

It is his duty to protect the People from those in "power" - Examples of "power" include insurance companies, utility companies, state agencies, police departments, etc.

It is the Governor's duty to make certain all people are treated equally and fairly.

When allegations received appear to be "supported," then he needs to listen. He should immediately address any known wrong doings. Two years is entirely too long for actions and investigations while the accused continue with business as usual. Especially when it involves and effects the people of Texas.

The Governor works for the People

We all pay taxes. From our tax money, we pay the "Governor" to "manage" our state for us. We "trust" he will provide consumer protection, help the needy, the elderly and the ill. We "trust" he will insure our safety and help educate our children - the leaders of tomorrow. Plus much, much more.

We put a great deal of trust in our Governor and he carries a huge responsibility. We "trust" he will delegate authority to those who will dedicate themselves to protecting the People of Texas as well.

We vote for those we think can carry out these duties with integrity and honesty to the best of his ability. Those who are elected must work together in unity. Uppermost, our elected officials must be fair and they must protect us.

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The Perry/Sanchez debate. An important question

In the debate between Governor Perry and Mr. Sanchez, one question that hit home for me was: "Would you take the cigarette money and use it to balance the budget?"

The true meaning of this question was, in my opinion, "Would you rob Peter to pay Paul?"

Mr. Sanchez without hesitation and very emphatically said, "*NO, I would not.*" then he proceeded to say something to the effect, "*that money belongs to our children and that's where it would go.*"

Governor Perry, on the other hand, answered by quoting how much "extra money" he had already given to the schools even though he was a little late in doing so. I didn't hear him say "Yes" or "No" to answer this question directly.

In my books, Governor Perry's answer was "non-committal" meaning no one could ever come back and say he said something that he didn't. I can only conclude that he intends to use the money in other areas or use the money to free up funds that can be used in other areas.

Since "money" is the root of the TLC's under-handed tactics and it appears those tactics were supported by our elected officials, then the answer to this question told me about the "character" of each candidate.

Lottery money for education

There is a huge misconception about the lottery money and the schools. The people of Texas "thought" that the schools would receive "extra" money if a lottery was voted in.

The truth is, schools have received their "budgeted" amounts only. The lottery proceeds do go towards the budgeted figure, but in essence, lottery revenues only freed up other funds that were used elsewhere.

The unclaimed prize money

The "unclaimed prize money" - **which really belongs to the players** - is currently sent to teaching hospitals - not the school districts. And, the TLC does not give 100% to the teaching hospitals.

There's two extremely disturbing factors regarding this unbelievable sum of unclaimed prize money - \$393,804,291.47¹ as of 8-31-02 - that someone should have addressed a long time ago to protect the people of Texas. But nobody did. They are:

One

A great many players take their tickets, both online and scratch tickets, to their retailers to let the terminals check their tickets for them. **Players should not do this** and our officials should have halted this "courtesy" a long time ago.

Why? The lottery terminals **can and do err** in reading tickets, thus many winning tickets are thrown in the trash. End result, more money for the state (unclaimed prize fund) at the expense of "trusting" Texans. The TLC IS aware of this flaw.

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Players have never been warned, rather, players are told that the retailers can check their tickets for them. A nice little courtesy ... compliments of the State of Texas.

To protect the people and to lessen the burden for retailers, which is desperately needed, the TLC and/or our state government should not permit retailers to check players tickets due to this known flaw.

The only tickets that should be run through the lottery terminals are those tickets where the consumer says, "*I have a winning ticket and I need to collect my money.*"

The TLC could not increase sales the "traditional" way, so what they've done is use a "legitimate" resource as a way to keep a larger percentage of the players money.

The TLC has intentionally taken advantage of the people of Texas by allowing this "courtesy."

To claim a winning ticket when the terminal says it isn't a winner

To claim a winning ticket when the lottery terminal says the ticket isn't a winner - but the player actually knows it is - which is rare - one has to go to a claim center, fill out paper work, and wait.

Or a player can mail the ticket to the TLC but the TLC makes it very clear, the TLC is not responsible for tickets lost in the mail.

How many people do you think are going to go to that kind of trouble to collect \$1, \$2, or \$5? Very few. The cost of fuel and time spent is more than the ticket is worth. Compliments of those \$1 and \$2 prizes so generously offered.

Two

The scratch games are too complicated, therefore, players don't realize they've won meaning, a great many "winning" tickets are being trashed. Examples include "Bingo" and "Jingle Bucks."

Some store clerks spend a great deal of their time going through the trash looking for trashed scratch tickets. They are savvy to this flaw.

Statistical reports regarding lottery players is biased, fixed

Don't believe the statistical data the TLC releases regarding the income and education levels of the players either. You see, when they take these "surveys," they "qualify" the respondents first.

If the respondent earns less than \$20,000 per year, the call is terminated immediately with no input recorded.

If the respondent is a member of the press or is in advertising, the call is terminated immediately too.

Do you know why? Because these people are trained in identifying "biased" phone surveys.

As far as the "focus group studies" are concerned, if one of the 10 to 12 people in the group is knowledgeable and objects to the rules or games being proposed, then the TLC throws out the results of the group claiming some players "influenced" the other players and that's why a negative response was obtained.² Bottom line - they only hear what they want to hear for dubious reasons.

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Lotteries are causing poverty levels to rise

I recently read an article titled, "*An economic double whammy: Income declines as poverty rises.*" In part it read, "*After nearly a decade of decline, the U.S. poverty rate stood at 11.7% last year, up from 11.3% the previous year, which was the lowest level since 1974*"³

An analysts was asked why poverty rose and he said, "*Frankly, I'm puzzled, Mr. Primus said, 'We were expecting poverty to tick up. But do I have a good answer? NO.'*"

Well, I'll tell you why poverty has risen. It's because people are spending their last dollars to purchase highly publicized \$100,000,000 lottery tickets in hopes of getting out of their mess. All you have to do is go to a convenience store and watch for a little bit to see just how accurate this statement actually is.

"*Poverty rises*" ... compliments of states attempting to increase sales by making winning more difficult (adding balls and bonus balls) and taking advantage of the people by insuring they have "unclaimed prizes" that they keep.

Cheating players out of their rightful winnings

Did you know since Sept 1996, some 6 of 6 winners received the exact amount that was in the prize pool, some winners received as much as \$1.9 million more than what was in the prize pool and some winners received as much as \$798,145 less than what was in the prize pool? Then, some received the amount advertised and some didn't.

When the TLC was confronted with this last year, they took one year to "investigate" the "allegations" when they knew it was true the minute it was presented.

As it stands today, the TLC claims the under payments and over payments was just an innocent "interpretation" problem but this is just another lie.⁴

Kim Kiplin, general counsel, is directly responsible for writing the game rules and she knew what she was doing when she changed the language from "shall" to "may" in late 1996. She also knew why the changes were being made.

Under the circumstances, it appears that Ms. Kiplin chose to claim "interpretation" problems, which reflects sloppy legal work, rather than "intent" in this matter.

Documents sent to the Comptroller's office clearly shows intent.⁵

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Is Texas going to force these Lotto Winners to Sue Them

Think of paying lottery winners in the same manner as you budget your personal finances. You have X dollars and you have fixed costs that must be paid from those dollars. Your house, car, insurance payments for example. That's exactly how the lottery is. The 6 of 6 winners are suppose to receive the amount in their "prize pool" - the amount allocated from sales. That amount was budgeted and when they won, it was theirs. Since early 1997, the TLC has not been consistent in how they paid jackpot winners yet they only had ONE rule to follow.⁶ They became "consistent" when I started requesting costs.

Lotto Winners That Were Cheated

The list is weighted with minority's

2-26-97 - 3 winning tickets - 19 winners total - <\$727,674>

1) Kathy Legg - San Antonio; 2) Carlos Angel Mares, Maria Chavez Mares - Dallas
3) The Wild Bunch: Gladys Barnes, Jessie Burriola, Anna Goodlett, Louis Haynie Jr,
Marion Hedgpeth, Evin Hudson, Jimmy Hull, Denver & Lucille Pitts, James Raiford,
Oscar Smith, Ronald Swinderman, Tom Tatum, Melvin Vaughn, R. O. Curnett
Oran "Bud" Whittington, Kennetta & Tommy Burriola, - **Corpus Christi**

4-5-97 - Henry Woyton - **Houston** - <\$120,405>

5-17-97 - 3 winning tickets - <\$107,121>

Cho Van Le - **Houston**; Bob D. Long - **Houston**; Ann A. Wallace - **Pasadena**

2-4-98 - Cowsert Family - **San Antonio** - <\$798,145>

2-28-98 - Victor & Debroah Smith - **Dallas** - <\$14,792>

6-13-98 - 2 winning tickets - <\$109,019>

The Bluebonnet Trust - **San Antonio**; KV Investments LTD - **Converse** (San Antonio)

7-18-98 - Terry Hahne - **Lawton, OK** - <\$76,447>

8-19-98 - 2 winning tickets (18 total winners) - <\$225,596>

Larry G. Wilkins - **Houston**; Gas Meter Irrevocable Trust - **San Antonio**;
Kevin Peavler, Paul Lombrano, Robert Wahl, Leonard Orth, Jack House,
Richard West, Ernest Jackson, Raymond Gamez, Raul Fernandez,
Raul Garza, Don Gray, John & Velma McClendon, Mario Moreno,
Maria Garcia, Albert Ponce, Jesse Reyna, Jacinto Santos

9-5-98 - 2 winning tickets - <\$88,788>

Judy & Jerry Mason - **Nacogdoches**; Medina Torres - **Houston**

11-7-98 - Shirley Johnson-Schlabra - **The Woodlands** - <354,000>

10-23-99 - Candelario & San Juanita Garcia - **Victoria** - <\$144,857>

2-9-00 - Juan M. Rodriguez - **Charolette** - <\$74,860>

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While these folks were short-changed, others were grossly overpaid. The reason the TLC "overpaid" some winners was that the TLC was making good on the "advertised" jackpot amount even though it was NOT in the rule. The TLC was paying the "investment cost" rather than the amount "budgeted."

EXCEPT one win. The March 24, 1999 \$18 million win was a real slap in the face to the two ticket holders. In this case, the TLC actually paid the exact amount that was in the prize pool to the 2 winners. The catch is, the investment cost was greater than the amount in the prize pool but these two ticket holders weren't paid in the same manner as the winner before and after their win.

Winner	Date	Prize pool	Investment cost	Paid to winner
Patricia Schumaker	04-03-99	\$5,179,660	\$5,510,028	\$5,510,028
Summerour & Anderson	03-24-99	\$9,948,153	\$10,105,272	\$9,948,153
Rainey Family Trust	03-06-99	\$1,561,745	\$2,220,995	\$2,220,995

What's even more interesting about the March 24, 1999 win is that the TLC, because of my allegations, just recently concluded a one year investigation. In their final report, they quote the investment cost for the March 24 win as \$9,802,116 but I have the "dummy trade ticket," obtained directly from the Comptroller's office, that shows the investment cost was \$10,105,272.

This is not the only mistake on their report either.

Our elected officials should have made the TLC pay the players who were short-changed, but to date, they have not done so. When these folks sue, the state will have nobody to blame but themselves for media headlines across the US that will read, "*Texas Lottery Caught Cheating Players.*" We wanted a quiet resolve to this matter, but we didn't get it. So, let the chips fall where they may.

The attempt to make flexible payouts legal

In July 2000, I began requesting the "investment costs" (the amount needed to give a return of the amount advertised) and in October 2000, I started publishing the information.

In late October 2000, I realized that the TLC had to be making up for the "over-payments." But "*How?*" I wondered. I suspected they may have "under-paid" some winners to offset the differences.

It was then that I decided to go back and calculate previous 6 of 6 payouts and sure enough, my theory was correct. I successfully acquired the documents necessary to go back to Sept 1996.

Then I attempted to go back to inception of Lotto Texas but the TLC fought me - which is another story that I won't go into at this time.

Because the TLC knew they were being watched closely, they walked a fine line and consistently applied the rule in how 6 of 6 winners were paid. This cost them as they were suddenly not able to offset those "over-payments."

So, in May 2001, the TLC proposed to change the Lotto Texas rule again but this time they attempted to clarify that they would pay the "advertised" amount rather than a "specific" percentage of sales so they could "legally" offset over-payments. ⁷

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Ironically, in years past, Ms. Kiplin, General Counsel for the TLC, chose not to write this in the rule. A really big mistake because they could have gotten away with it previously as has other states.

The issue had been discussed and staff members had recommended that it be written in the rule, but Ms. Kiplin vetoed it.⁸

This proposal was a 10 month battle and we [players] ultimately won. That is, if you call having "specific" rules as to the amounts players win, "winning."⁹

We have **laws** that tell us exactly what percentage of our income will be paid for this and that, the IRS sticks to their guns about the percentage they will allow for this and that, the FAA has laws regarding precisely how many hours pilots can fly, we have precise speed limits and fines, car dealers have to disclose mileage before they can sell a car, we have set prices for license plates ... **but the state can run a \$3 billion per year lottery business and try to not specify precisely how much they will give back?**

I say NO.

Our elected officials are ultimately responsible for these acts - we either have elected officials that will ensure our state games are fair and honest - or we don't. What we have now are officials that have allowed the TLC to literally scam players using under-handed tactics for the sole purpose of "increasing state profits," and again, at the expense of the people.

Do you want this to continue?

Prizes - Quantity vs Quality Choosing "Quantity" enables advertising ploys while increasing the Unclaimed Prize Fund

The lottery promotes ... "win an average of \$57,500" or "Jackpot \$200,000" or "Jackpot \$9 million."

Because only a handful of people will win the big jackpots and even the 2nd prize in the game, the TLC has devised a way to "legally," but not "morally," promote a tremendous number of winners in each games ad campaign, at the players expense.

The sole intent of promoting a high number of winners in ad campaigns is to entice play. The only way to create a great number of winners is to pay a "prize," if you call it that, when a player matches one or two numbers.

Generally speaking, the players receive and divide 50% of sales. Because of these little bitty prizes - \$2, \$3, \$5 & \$7 and the huge number of "winners" - the prize amounts for the 2nd and 3rd prizes are reduced significantly and are not "quality" prizes. The prize money was used paying the small prizes.

Also, by offering these small prizes - it enables the state to keep a higher percentage of sales. Players don't expect to win with one or two numbers, therefore, their tickets go unclaimed.

When tickets go unclaimed, the state keeps the money even though the funds came from the players share of sales. This is in spite of the rule stating, "50% ***shall*** be returned to the players." The majority of the "unclaimed prize fund" is derived from the \$1, \$2, \$3, \$5, and \$7 prizes.

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This type of strategy, promotion and motive is devious to say the least. But our elected officials have done nothing even though they've heard from thousands of people who have said, "*Give us a quality prize and give us a chance to win.*"

In reality, a quality win, would in fact, increase sales but then, the TLC couldn't send out those e-mails stating that 60,000 people won the night before. Also, the TLC doesn't want to risk reducing the unclaimed prize fund.

**Elected officials looked the other way.
They failed to protect the People.**

The Texas Lottery IS a state agency. Unlike other state agencies, it is totally self supporting. The TLC, through legalized gaming, has brought in \$29.7 billion since inception through Oct. 5, 2002.

It is solely the Governors duty to appoint the Commissioners who are suppose to oversee the "*hired help*" - as one of Governor Perry's staff members recently called them as a result of Linda Cloud's lawsuit. (*This was a quote taken from the newspapers.*)

Keep in mind, the Commissioners are appointed by the Governor which means the Commissioners report to him or a member of the Governor's staff directly. The Commissioners, in a sense, represent the Governor and as such, it is their duty to ensure the people are treated fairly and respectfully, but first and foremost, to protect the people.

This has clearly **not** been the case as is evidenced by the **8 examples** listed and the Governor office was aware of these issues but failed to act.

One

Allowed the TLC to rob Peter (big jackpot winners) to pay Paul (small jackpot winners).¹⁰

Two

Allowed the TLC to attempt to be "non-committal" regarding prize amounts by attempting to pay the amount "advertised" rather than a "true percentage of sales" for Lotto Texas (a pari-mutuel game) - proposed 3 times.¹¹

Three

Allowed the TLC to intimidate, misrepresent and bully private citizens. The TLC claimed to own a mark on the typewritten words "Lotto Texas" and "Texas Lotto," when in fact, they did not.¹²

Four

Allowed the TLC to not disclose vital product consumer information - specifically how many scratch tickets were printed and how many total prizes there were for each prize.

In an Emergency Meeting called on January 31, 2001, Ms. Cloud testified that the TLC was deleting the above mentioned information from the promotional literature found in the stores. She also stated that the TLC would issue a second promo sheet containing this information within two weeks of the games start date.¹³

The reason given for this change was that the TLC had been using "approximate figures" but wanted

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to use actual figures.

The TLC did **delete** the information but, they **never** issued a second promo sheet to the retailers containing this information. Players have no way of obtaining this data prior to purchasing a ticket.

Ironically, a while back a player wrote and asked the TLC who they could talk to, that was unbiased, that could answer questions about the odds on the scratch tickets. Basically, the player wanted to know the odds for each prize on the tickets.

The TLC's response, that was posted on the "*Ask the Director*" page, "*we do not have a document that would provide the information you are requesting.*"

This was an out and out lie. Not only is the information on the "prize structure," but it is posted in the *Texas Register*.

The TLC proceeded to tell the player he could calculate the odds himself! ¹⁴

Our legislators should have never permitted the removal of this information for three reasons. 1) Producing two promo sheets would cost twice as much (though it was never done); 2) players have a right to that information prior to purchasing a scratch ticket; 3) the odds are printed on the tickets themselves based on the quantity ordered, therefore, the printer cannot deviate much or the tickets would have incorrect odds printed on them. So, what differences did having "approx vs actual" figures actually make?

And, what's worse, the promo pieces still say "approximate."

Five

Allowed the TLC to juggle funds.

Not all unclaimed prize funds have been given to the teaching hospitals. The TLC keeps a percentage to use for scratch ticket business.

Funds from "reserve" were used to "over-pay" 6 of 6 winners.

About the reserve fund

The money in the reserve fund was created and intended to be used to cover shortages when the amount allocated from a drawing was not sufficient to pay the 3 of 6 winners **guaranteed** prize.

This is another way state lotteries take advantage of the people - by offering "guaranteed prizes."

Since inception of Lotto Texas through Oct. 15, 2002, 3 of 6 prizes totaled \$439,545,835 but \$475,387,834 was allocated from sales to pay the 3 of 6 winners. Excess funds totaled \$35,841,999.

In addition, another \$84,753,122 was held in "reserve" to cover 3 of 6 prizes - a **guaranteed** prize amount.

This means, from the players "share" of sales that the rule says "shall" be returned to players, the TLC or state has kept an additional \$120,595,121 **plus** the unclaimed prize monies of \$393,804,291.47.

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If our lottery were 100% fair, all prizes would be a set percentage of sales and then divided equally among the winners. There should be NO reserve funds.

As you can see, these are under-handed tactics the state uses to keep more than their share of sales.

Six

Allowed the TLC to use unscrupulous methods of figuring odds. This was a one year battle just to get the TLC to tell the truth about the odds.¹⁵

In a nutshell, the TLC claimed that if you spent \$1 to purchase a scratch ticket, then scratched the ticket and found you had a \$1 coming back to you, then they considered you were a "winner."

The TLC included the number of the \$1 "winners" when they calculated the odds which made the odds look better. The odds on the tickets now read, "*The odds of winning are XX including break even tickets.*"

Seven

Allowed the TLC to misrepresent itself in advertising and press releases. I won't cover them all of them¹⁶ in this story because there are too many - but here are two examples.

(A)

In reports regarding "*how the TLC did in the first year after adding the 4 balls to Lotto Texas,*" the TLC intentionally misrepresented the facts to the public.

In the first year, from year to date, there were exactly 105 drawings. But the TLC only counted and reported figures for the "first" 102 drawings under 6/54.

They purposely cut the year short by 3 drawings.

Why? It was to their advantage because sales were so low in the last three drawings of the first year under 6/54.

Then, they compared those figures to the "first" 102 drawings of the last year under 6/50. They did NOT count the last 3 drawing under 6/50.

Why, because sales were higher in the last 3 draws under 6/50.

This is called "pencil-pushing" and misrepresentation. Actually, I call it distorting the truth.¹⁷

(B)

Another advertising misrepresentation is two fold - Lotto Texas prizes are "pari-mutuel." Then you see a billboard that reads "*Next Jackpot - \$4 Million.*"

The TLC hasn't had enough to cover a \$4 million jackpot in years. Somebody needs to look up the definition of "pari-mutuel."

A winner, in any lottery, has only won a percentage of sales. Lotteries "hope" the percentage budgeted for the prize is enough to invest for 24 (varies) years that will give a return of the amount they advertise.

Every lottery in the country is guilty of false advertising on this matter unless they've speci-

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fied" *\$4 Million If Paid in 25 Annual Installments.*"

Eight

Allowed the TLC to create games that exploits lottery players. The games implemented guarantees players will invest and lose millions just to build bigger jackpots for the sole purpose of increasing sales and enticing play. There is no regard given to the unbelievable amounts spent by players.

Our elected officials permitted this without intervention.

The tactics used to add those 4 balls to Lotto Texas

In an attempt to increase the states revenues, the TLC's plan was to make winning more difficult in hopes that players would continue to play (donate) but not win. With no winners, the plan was that the jackpots would grow and the day would come that the jackpot figure would be so huge that everybody in the country would be enticed to buy a ticket for a chance to win.

This plan was introduced twice. Once in August 1999 then again in March 2000.

The first proposal was withdrawn because of opposition to the plan and no support. However, before withdrawing the plan, the TLC issued a letter to all the retailers asking for support.¹⁸ But they didn't get support so they withdrew the plan.

So what did the TLC do next?

They re-grouped and planned for rebuttal to the opposition they knew they were facing. They made "sure" they could produce written documents of support - it didn't matter to them who the support was from or how it was obtained. They just had to be able to show our legislators that there "was" written support.

G-Tech willingly obtained and provided the "support" which was ultimately posted in the *TX Register*.¹⁹

In the end, the TLC used questionable documents,²⁰ encouraged misleading testimony that was later "re-clarified,"²¹ and misrepresented the anticipated results to retailers so some retailers would say that they were in favor of this change.²²

At the same time, they had thousands of letters, emails, and petitions of opposition from the people. But they ignored us.²³

Public comment hearings

State agencies are suppose to notice and hold the public comment hearings when proposing new rules. There was a hearing scheduled, however, the retailers were personally invited to comment at the Commissioners meeting rather than the public comment hearing.

The reason? Obviously the TLC staff and G-Tech were afraid that if the retailers corporate heads heard what the retailers customers had to say, they would back off.

In defense of the retailers corporate heads, I will say that they were verbally mislead about the impact of this rule change. And it's obvious in their testimony too.²⁴ They needed more money and they were

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told that if this rule were adopted, then they would make more money.

That never came to pass though.

Angry, frustrated Texans

The adoption of this rule angered all players. Players cut their spending or quit playing altogether. That's why the jackpots never rose to the desired levels. Jackpot amounts are driven by sales and sales alone.

The TLC, on the other hand, says that players have "*been lucky and beat the odds*" and that's why the jackpots haven't grown.²⁵

Fact - Since the four balls were added on July 19, 2000 through Oct. 27, 2002, there have been 238 Lotto Texas drawings and only 49 draws were won.

Lucky? Beat the odds? I don't think these numbers indicate luck at all.

The recent adoption of the twice daily Pick3 angered the people too - but taking Cash 5 from two to four to six draws per week and reducing the prizes so dramatically was the final straw for players.

The \$2 prizes that were added to Cash 5 was done for two reasons. 1) So they could advertise 60,000 winners per draw instead of 6000; 2) To increase revenues in the unclaimed prize fund.

Cash 5 had "quality" wins but it was changed to "quantity" wins for the sole purpose of increasing the state's revenues - not the players revenues.

Again, players voiced their opposition to these changes but no one listened. They did it in spite of us - another ploy for the wrong reasons.

Lottery players alone could vote Governor Perry out of office and perhaps we should. Because I know he has allowed the TLC to operate without integrity, without respect for the people and without fairness, I will NOT vote for him. He had his chance as far as I'm concerned.

We've spent \$29.7 billion - we deserve to be heard and respected but most of all, protected. State run games should be a 50/50 split right down the middle without any loopholes. The state should not get any of the players share of sales. But they do and they take advantage of us. **We need a change.**

So the question is, was Governor Perry aware of all these things?

He should have been. In the past 3 years, I've faxed letters and press releases to his office that covered most of these issues and wrong doings. I've sent letters to state legislators and the Attorney General on several occasions. The Commissioners knew and they report to the Governor.

On April 19, 2000, I personally delivered 3000+ signatures, emails and letters from the people (voters), to Lt. Governor Rick Perry's office. These comments were communications of opposition to the TLC regarding adding 4 balls to Lotto Texas.

In return, I got a polite letter stating he was forwarding the comments to Commissioner Clowe. The letter stated that Commissioner Clowe was well qualified and that he trusted the Commissioners decisions.

If he wasn't aware, then he clearly has a communication problem. A sign of poor management.

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Indications that other communication problems exist as well

Evidently, the Governor's office has other communication problems too.

Several issues have risen in the last couple of years that warranted, in my opinion, immediate "actions" by "somebody."

I've come to this conclusion based on Open Records violations that both Attorney General John Cornyn's office and District Attorney Ronald Earle's office was aware of but no action was taken. Specifics forth coming.

There were also known lies. Did no one convey these to the Governor himself?

Specific lies but nobody cared

One

The recent appointment of Commissioner Cox to the TLC. On August 14, 2002, I called the TLC and asked for Commissioners Cox's address and phone number. Both customer service and legal denied having this information.

Commissioner Cox was introduced as a new Commissioner on July 23, 2002. The TLC sends each Commissioner a package every week. But they don't know his address?

I called my state rep for help. They referred me to the Governor's office and provided me with the Governor's phone number. I spoke with 5 different people at the Governor's office and each one "tried" to refer me to the TLC to obtain this information. Each time I responded with, "*Sorry, the TLC "claims" they don't have the information.*"

Each person responded with disbelief. They knew, as did I, that they TLC had the information.

The Governor's office did give me the information but as a result of my call, they had first hand knowledge that the TLC had lied to a citizen of Texas by refusing to disclose requested public information.

This was trivial but the TLC got away with it. This is just one of many examples I can quote.

Two

Commissioner Criner's resignation. On March 18, 2002 at 9 a.m., I received word that Commissioner Criner had resigned his post in February 2002.

The first thing I did - I checked the TLC web site for notice. There was none. In fact, it still showed he was a Commissioner.

I then called the TLC for confirmation. I spoke with staff in both Customer Service and legal. Since I would NOT accept or believe that they had "*no knowledge of Criner's resignation,*" I held while staff "reportedly" contacted Linda Cloud. I spoke with Kim Kiplin as well.

Everyone denied having any knowledge that Criner had resigned. But I knew better, especially in light of the fact that Criner was absent during the 3-6-02 Commissioners meeting without an explanation.²⁶

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I then contacted the AP wire to see if a press release had been issued. None had. To make absolutely certain there was no press release, I called the *Dallas Morning News*, the *Ft. Worth Star Telegram*, the *Houston Chronicle* and the *San Antonio Express News*.

I promised everybody I would call them back when and if I got confirmation.

I called Commissioner Tom Clowe. Commissioner Clowe did not lie to me. He said, "No comment."

I called State Representative Joe Driver. Theresa, from his office, called the TLC but was told that "*no one had any knowledge that Criner had resigned.*" Theresa suggested that I call the Governor's office for confirmation explaining that the Governor's web site would show an opening for the position if there was one. Which I did.

I spoke with several individuals at the Governor's office. Each person suggested that I call the TLC for confirmation and each time I replied, "*The TLC 'claims' they have no knowledge of Criner's resignation.*" Finally, after much ado, the resignation was confirmed.

The TLC had once again lied to me and I was furious.

But more importantly, the Governor's staff was well aware of it too. I immediately set out to obtain proof that the TLC knew Criner had resigned but I was unable to obtain proof from the Governor's office.

I asked the Governor's staff what the procedures were for notifying state agencies that a Commissioner had resigned. They told me that they did not know. They "assumed" the Commissioner would tell the agency himself.

I requested to receive a copy of Criner's letter of resignation. They said they would fax it to me but I never received it by fax.

Three days later, March 21, 2002, I made an open records request (Governor's office), to receive a copy of Criner's resignation letter as well as a copy of the letter that was sent to the TLC informing the TLC of Criner's resignation.

On or about April 4, 2002, I received a certified letter from the Governor's office. Enclosed was a copy of Criner's resignation but the letter stated, "*... we have determined that the Office of the Governor has no documents responsive to your request for 'a copy of the letter sent to the Texas Lottery Commission informing the TLC of Commissioner Criner's official resignation.' It appears no such letter exists.*"

While the Governor's staff did not lie about Criner resigning, they did make me aware that there appeared to be a flaw in the system since they say they do not "officially" advise a state agency that the agency is short one Commissioner.

Now I learn that there had been an investigation prior to my ever calling the Governor's office and the Governor's office could have confirmed that the TLC knew Criner had resigned. But they didn't. Now, I believe that documents did exist and the Governor's office lied to me too.

Words cannot describe how I feel about this entire situation -

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Is Governor Perry the man for this job?

In my opinion, **NO**. Governor Perry had his chance but he's allowed the TLC to lie, withhold public information and take advantage of the People of Texas so I think we need him out of office.

We need a Governor who will hold state employees accountable for their actions and **demand** that the people of Texas are protected first and foremost.

Governor Perry has **NOT** done this in the past and I don't think he'll change if re-elected.

**TLC Requests "Opinions" From Attorney General John Cornyn.
AG allows TLC to withhold public information, lie and cover up**

While these issues involve a different state agency, it still ties directly back to the Governor and shows lack of communications, in my opinion.

In plane 'ole English, the Attorney General (AG), Mr. John Cornyn, is in reality, the state's attorney as he represents state agencies when they get sued. The thrust of his duty, however, is to protect the people.

In my opinion, this automatically creates a "conflict of interest" where the people VS a state agency is concerned.

Why?

The TLC is a state agency that has sold \$29.7 billion in products to consumers in the last ten years. Yet the AG's office has no jurisdiction over a "state agency," therefore, when they "know" a state agency has wronged a consumer, there is **nothing they can or will** do about it.

"*Get a lawyer*" or "*Call the DA*" is the current response. Where is our consumer protection? After all, the Texas Lottery does sell products to consumers.

Because the AG's office takes consumer complaints and they offer "opinions" for state agencies, I feel they are in a perfect position to identify problem areas and when they see repeated issues - lies, non disclosure, discrimination, and obvious cover-up attempts by a state agency, well, one would think that the least the AG could do is communicate this to the Governor or somebody -

Apparently, this is not on their agenda.

Open Records Violations

In America, we have what's called "Open Government." This means that the people, upon request, have a right to obtain whatever information they want from government/state agencies.

When an agency doesn't want to release the information requested, the agency files, within 10 days, for an "Opinion" from the AG. The AG decides if the agency or company has to release the data.

Obtaining Opinions - 3 things you should know

A) An agency submits the documents to the AG that they want to withhold, but the requester is not

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allowed to see if, in fact, this is the information actually requested.

B) As soon as the AG offers an opinion, he returns the documents to the agency. There are no records.

C) If an agency tells the AG there are "no documents responsive" to the request, they're taken at their word. Even when common sense clearly indicates otherwise.

The AG's rulings fell in one of three groups

In my case, there have been multiple AG filings and I've learned from each one of them. The results of the TLC's filings and the AG's rulings fall in one of 3 groups.

One

In most cases, the AG allowed the TLC to withhold the information. I sincerely believe if you saw what each of these issues were, you would disagree with the rulings. None were security issues.

Two

The AG advised me to contact the District Attorney for help. Called getting the "run-around." But, at least, I knew the agency was in the wrong. So I tried it.

Did the DA do anything about it even when he had compelling evidence? NO, he declined - details on this issue are forth coming.

Three

The AG offered no opinion and sent a letter stating that he was closing the file. Again, this was when I knew I was right and the AG's office was smart enough not to put it in writing!

The information requested that the TLC believed warranted "opinions"

The majority of "opinions" requested by the TLC from the AG pertained to upcoming scratch tickets and paying the winners - information the TLC wanted to hide from the people. In one case, the TLC claimed they had "*no documents responsive*" to the request which was a great big lie. They "claimed" it would require 1700+ pages and billed me accordingly.

Later, I proved they did, in fact, have documents responsive and it certainly wasn't in 1700+ pages. The AG did nothing about this.

My complaints to the AG's office consisted of open records violations and blatant lies.

An example of a blatant lie

I requested to receive a "prize structure" for a specific scratch ticket. The "prize structure" shows the total tickets printed, the dollar amount of the prizes and how many prizes there are for each prize.

The TLC wrote and said, "*there is no document responsive to your request.*"²⁷

Did you know that they sent that very information out the day before to my state rep? I complained to the AG and included the documents and the writings - They advised me to contact the DA.

The TLC continues to do this to me even as I write this story.

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**It doesn't do any good to prove the TLC
lied and withheld public information**

When I did prove to the AG that documents did exist, meaning the TLC definitely lied, to date, the Attorney General has taken no action of any kind. To my knowledge, they never even notified anyone that could have taken care of the situation.

When you think about it, why would they? The AG is after all, the TLC's lawyer. How can the AG render a fair and just opinion against one of his own - especially one who has successfully brought in \$29.7 billion in the past 10 years?

**John Cornyn "claims" he will take a "leadership role" in Open
Government. Hogwash.**

If the example below is Mr. Cornyn's definition of "Open Government," then we're in big trouble if he's elected to represent us in Washington.

On October 1, 2002, a headline in the *Dallas Morning News* read, "*Cornyn vows fight for open records.*" He is quoted as saying, "*Right now, I don't see anybody really taking a leadership position on open government in the United States Senate, and that would be a role I could play and I think, lead on.*"

On August 23, 2002, I requested an opinion and/or filed a complaint with the AG's office against the TLC. The issue - the TLC refused to release information to me in the same manner and time frame as they release the information to other parties.

The specific information was drawing results, payouts and press releases that is released daily - information that meets critical time factors to be newsworthy for those of us in the media.

I also sent a copy of my complaint to Kim Kiplin, General Counsel, TLC.

The TLC responded to my complaint by sending the AG copies of two transcripts, minus a couple of pages, and they stated that I was not a member of the media which is who received the information in question.

The TLC also indicated that the Commissioners were in agreement with the decision to not release the information to me and that the issue had been closed by the Commissioners.

I regard the TLC's response as lies and discrimination. Here's why.

In the first place, the issue was not closed - it had been left pending and I had made multiple requests for the issue to be placed on an agenda to no avail.²⁸

In the second place, it really didn't matter what the Commissioners did or didn't say and it didn't matter if I am or am not a member of the media.

The issue at hand was the **LAW**. The law states that if a state agency releases public information to "anybody," then they have to release it to "everybody" in the same manner if requested.²⁹

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The Law As Written

§ 552.223. Uniform Treatment of Requests for Information

The officer for public information or the officer's agent shall treat all requests for information uniformly without regard to the position or occupation of the requestor, the person on whose behalf the request is made, or the status of the individual as a member of the media.

Added by Acts 1993, 73rd Leg., ch. 268, § 1, eff. Sept. 1, 1993.

Amended by Acts 1995, 74th Leg., ch. 1035, § 15, eff. Sept. 1, 1995.

§ 552.007. Voluntary Disclosure of Certain Information When Disclosure Not Required

(a) This chapter does not prohibit a governmental body or its officer for public information from voluntarily making part or all of its information available to the public, unless the disclosure is expressly prohibited by law or the information is confidential under law.

(b) Public information made available under Subsection (a) must be made available to any person.

§ 552.267. Waiver or Reduction of Charge for Providing Copy of Public Information

(a) A governmental body shall provide a copy of public information without charge or at a reduced charge if the governmental body determines that waiver or reduction of the charge is in the public interest because providing the copy of the information primarily benefits the general public.

The outcome

The AG gave no opinion. Rather, the AG sent a letter stating they were **closing the file** based on the communication they received from the TLC.

The verbal reason ... they claimed this was not an "open records" issue and, in their opinion, would not fall under the Open Record laws because the documents requested do not exist. This is what you call a bunch of baloney.

They suggested I contact an attorney which I did. The attorney felt this was an obvious "discrimination" case and was astounded when I told her what the AG's office said to me about it falling under the "open records law."

We were ready to take legal action but then, Linda Cloud resigned so I decided to ask the TLC one MORE time to send those faxes.

Gary Grief, the acting Executive Director, re-instated the faxes.

The issue is closed now but not because the AG did anything about it. He allowed the TLC to discriminate, withhold public information and they did not rule according to the law as clearly written.

Mr. Cornyn "claims" he is in favor of open government and would "*take a leadership position*" if elected as a Senator. And I'm suppose to believe his will, in fact, take a leadership role?

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I do not want him to represent me in Washington because I know first hand that he cannot offer unbiased opinions and he doesn't uphold the "law" in his rulings.

Cigarette machines are in secure locations, but lottery vending machines are not. Why?

I would like to know why Mr. Cornyn has not made the Texas Lottery place their lottery vending machines in secure areas?

The law says one must be 18 years of age to buy cigarettes and to play the games of Texas yet scratch tickets via vending machines are readily accessible to all while cigarette machines are not. Our children are buying scratch tickets - they walk in, buy quickly, and exit fast. Easy, easy access.

Is the reason because lottery vending machines generate money for the state? Is he discriminating?

Is Mr. Cornyn the right man to represent Texans in Washington?

In my opinion, NO. Based on my experiences with his office, I think the rulings are biased and I regard him as an accessory to the under-handed tactics used by the TLC.

Mr. Cornyn lost my vote and I WAS an undecided voter for Senate.

**District Attorney Ronald Earle
They looked the other way too**

On March 20, 2001, I complained that the TLC was refusing to release game information both by phone and through Open Records requests.

At issue was a scratch ticket that was due to start on March 28, 2001. The rule states the TLC must disclose game information when requested.³⁰

The TLC "claimed" they had no information on a game that was due to begin in 8 days. Using common sense, do you think the TLC can design a scratch game, print it, ship it from up north to Austin, prepare the tickets for shipping (called pic 'n pac), then ship them out to 16,000 retailers all in one week?

Of course not. Not only that, but G-Tech's contract allows them 3 weeks for the "pic 'n pac" procedure.

In addition to my non-disclosure complaint that I sent to the DA, I also attached a copy of a letter I had sent to Madam Senator Leticia R Van de Putte, Representatives Robert Puente, Vilma Luna, and Robert Junell in February 2001. This letter advised them of misrepresentations made by Ms. Cloud during the Emergency meeting held at the Capitol on January 31, 2001.³¹

A 3rd attachment included copies of forensics reports submitted by two well known and highly accredited Forensic Document and Handwriting Examiners with regard to a survey used to adopt the rule to add 4 balls to Lotto Texas.³²

The DA's response to all of this material, "*Due to limited resources, we are unable to further investigate*

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the allegations that you have presented."

The DA returned the original documents which means, they have no records.

Like the AG, the district attorney has his own resources for trouble shooting problem areas. But apparently he does not communicate these things to the Governor or the proper authorities either.

I thought that DA's were suppose to protect the people from corruption.

Noteworthy - the Austin DA receives "extra" funding from legislature because they cover the Austin area where most state agencies reside. But they didn't have the resources?

The Senator and state reps mentioned above took no action either. I can only conclude this as Mrs. Cloud kept her job until she resigned on Sept. 26, 2002.

Obviously State Agencies stick together

I would think that by the events described already, you've probably concluded that agencies must help one another and stick together.

Well, I've got one more story to tell.

Because the TLC notoriously waits until the last "legal" minute to fill my Open Records requests or file for an "opinion," I decided to start retrieving the "Investment Costs" directly from the Comptrollers office in hopes of faster service. (This is how I obtained the previous "investment costs" too.)

Was I ever impressed - **at first**. I want you to know that I could make a request for the investment costs and the Comptroller's office would fax me the data all in the same afternoon. I thought I had died and gone to heaven!

I even complimented them for being so prompt and the response was, "*Well, it's right here in front of me when I get your request, so it's much easier for me to just get it out of the way. This one is so easy.*"³³

After 5 or 6 lotto wins where I was able to have this information posted the day after the lotto win, which is when the TLC receives the information, the Comptrollers office started taking actually longer than the law allowed to get the information out to me.

I could only conclude that the TLC figured out where I was getting my information and asked the Comptrollers office to stop and they graciously accommodated the TLC's request.

And yes, it was the same person at the Comptrollers office - from the beginning to the end. When I inquired about the sudden change, she said, "*We have 10 working days to fill an Open Records request and I get it out as quick as I can.*" Those words are the identical words used by the TLC.³³

So now, to obtain the investment costs quickly, I have to ask my state rep to obtain it for me. The TLC could and have given the information out by phone but they refuse.

You know why? They said they were afraid the information would be conveyed or taken incorrectly and they did not want to be held responsible.

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I suppose this means they should be held responsible when the newspapers and TV stations err in reporting drawing results but they are quick to say they are not responsible.

Folks, this is public information that they have at their fingertips - it's not a security issue. For ANY state agency to discriminate like this and get away with it is completely unacceptable.

**Our first step ...
Vote Rick Perry & John Cornyn out of office**

Since I know that our elected officials KNEW about these things and they permitted it to continue, then I think it's time to replace them.

One thing about it. If we keep those in office that are there now, we already know, first hand, that they will not take appropriate actions regarding state agencies lying, cheating, discriminating, withholding public information and cover-ups that is currently being allowed. They **won't** protect us from corrupt activities.

If, on the other hand, we elect new people in these key positions, maybe they'll fix these things. At least we have a 50/50 chance which is more than we have right now.

You have all told me that we needed to clean house - and I believe you are right. So let's start at the top and work our way down as needed but **with our votes this time**. We have nothing to loose and everything to gain.

I will be voting for Tony Sanchez for Governor and Ron Kirk for Senate. Period. By doing this, I'll be speaking my mind.

In Conclusion

If I could ask Governor Perry just two questions, I would ask, "WHY did I, a private citizen, have to spend my time and my money doing the job you were responsible for?" Then I would ask, "Why are you allowing the Texas Lottery to be this unfair to the People of Texas?"

I will be adding one more section to my story which will pertain to Linda Cloud as well as the lawsuit she's filed against Governor Perry's staff.

And finally, I feel compelled to say, I sure hope these folks are voted out if not I'm certain my next four years will be sheer hell after exposing all of this stuff.

- For Governor - I'm voting for ... Tony Sanchez

- For Senate - I'm voting for ... Ron Kirk

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**Footnotes - For easy access, this page with links ...
www.lottoreport.com/mystory.htm**

- 1 - Unclaimed prize figures since inception (1992 - 2002). <http://www.lottoreport.com/unclaimedprizes.htm>
- 2 - *Focus Group Study of Reactions to Possible Changes in the Lotto Texas Game* - Trenholm Research, Inc - August 26, 1999 - Marked: Confidential - Request from TLC.
- 3 - *Dallas Morning News*, September 25, 2002
- 4 - *Internal Audit Report* - dated August 19, 2002 - Obtain a copy from the TLC
- 5 - Compare 1993 - 1996 TLC's requests for investment costs from Comptroller to those from 1997 thru date. Did ask how much the amount in the prize pool would give a return of, then switched to ask how much it will require to get a return of the advertised amount. Obtain from TLC.
- 6 - *One Game & One Rule But Here's Five (5) Ways Winners were Paid*. <http://www.lottoreport.com/4mycomment.htm>
- 7 - The attempt to clarify that the TLC could pay the amount the advertise rather than a percentage of sales. <http://www.lottoreport.com/3rdproposal.htm>
- 8 - Interview with a TLC staff member in 1999.
- 9 - On Feb. 12, 2002, the TLC agreed to guarantee either the amount in the prize pool or the investment cost - whichever figure was the greatest. <http://www.lottoreport.com/PX305312.htm>
- 10 - *Schedule of Winning Lotto Texas Jackpot Drawings & Internal Audit Report* - dated August 19, 2002 - Obtain a copy from the TLC
- 11 - The attempt to clarify that the TLC could pay the amount advertised rather than a percentage of sales. <http://www.lottoreport.com/3rdproposal.htm>
- 12 - Domain Name Bullies - Dec 2001 - <http://www.lottoreport.com/bullies.com>
- 13 - Transcript from January 31, 2001 Emergency Meeting. [http://www.lottoreport.com/cm\(2\)1-31-01.htm](http://www.lottoreport.com/cm(2)1-31-01.htm). Short version of the events. <http://www.lottoreport.com/help.htm>
- 14 - Ask the Director page on TLC web site, July 8, 2002. Obtain a copy from the TLC
- 15 - *Dallas Morning News* said it best. From this page, there are multiple links. <http://www.lottoreport.com/DMNTickets.htm>
- 16 - Advertising issues are listed. <http://www.lottoreport.com/Strategy.htm>
- 17 - *How Lotto Texas Fared After One Year*. <http://www.lottoreport.com/oneyear.htm>
- 18 - Letter to all retailers dated Sept. 20, 1999. Obtain from the TLC.
- 19 - The "support" (4600+ surveys) the TLC received from G-Tech that was published in the *Texas Register*. <http://www.lottoreport.com/TXRegistry.htm>
- 20 - Two Forensic Reports regarding the 4600+ surveys. (Note, the "exhibits" are the actual handwriting samples so they are large files. They may take a few minutes to load.). <http://www.lottoreport.com/surveyexam.htm>
- 21 - May 12, 2000 Transcrip. G-Tech and the Texas Food Industry Association "re-clarified" their testimony from the previous Commissioners meeting. <http://www.lottoreport.com/CM5-12-00.htm>
- 22 - The survey states, "*Similar changes recently adopted for lotteries in New York and Florida brought marked increases in sales and dramatically boosted player interest in those states*." Then it quotes Linda Cloud, "*if adopted, will bring higher jackpots, greater excitement and increased sales to the Lotto game.*" Both states had pulled the balls due to decreasing sales. Obtain a copy of the survey from the TLC.
- 23 - Players comments posted on my web site. We had over 3000 comments and petitions of opposition. <http://www.lottoreport.com/3emails.htm> & <http://www.lottoreport.com/3letters.htm>. Can obtain from TLC too.
- 24 - Transcript from the April 13, 2000 meeting. The retailers testified. <http://www.lottoreport.com/CM4-13-00.htm>
- 25 - *Dallas Morning News*, June 22, 2002
- 26 - March 6, 2002 Commissioners meeting. (Opening statement). <http://www.lottoreport.com/cm03-06-02.htm>
- 27 - *I'm Spitin Mad*, <http://www.lottoreport.com/mad.htm>
- 28 - Transcript from the Dec. 18, 2000. <http://www.lottoreport.com/cm12-18-00.htm>
- 29 - My letter to the AG. . <http://www.lottoreport.com/ag082302.pdf>
- 30 - State Lottery Act, 401.302 (1) - Obtain from TLC
- 31 - Feb. 19, 2001 letter to Pete Heflin. <http://www.lottoreport.com/0219heflin.pdf>
- 32 - Same as #20 - Two Forensic Reports regarding the 4600+ surveys. <http://www.lottoreport.com/surveyexam.htm>
- 33 - Discussion with Kelley Tomkinson, Comptrollers Office