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Illinois Lottery Sued For Not Paying Winnings That Are Due to the State

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Two Illinois lottery winners weren't paid their winnings due to the state budget impasse, and they are not happy. The winners are now suing the Illinois lottery in a federal lawsuit.

The winners, along with other angry Illinois lottery-players, are angry that the Illinois lottery is continuing to sell tickets, despite still not having paid winners from several months prior. One of the winners suing the lottery, Rhonda Rasche, won \$50,000 from a scratch-off ticket in July, but has yet to see a dime while the Illinois lottery continues to make revenue from ticket sales. "How the heck can they do this, and they're still selling tickets?" said Rasche. "If I was the one selling raffle tickets and I didn't pay, I would be sued or in jail or both."

A month ago, the lottery announced to state-wide shock that winners of prizes larger than \$25,000 would have to wait to be paid until the state passes a budget. They're able to cut checks for lottery prizes less than \$25,000, but it's now illegal for them to pay out any more without the legislature authorizing the state comptroller to pay the winners their prize.

The lottery isn't at fault for the state's failure to pass a budget, but the winners suing the Illinois lottery are angry that they continue to sell tickets and advertise jackpots like those of their Lucky Day Lotto of \$250,000, when they're unable to pay it, and don't know when they'll be able to. There are at least two dozen winners from the past several months who are still waiting to collect their large-prize winnings from the lottery, including Rasche.

According to Rasche's attorney, Thomas Zimmerman Jr, "The lottery represents that you can win instantly. They fail to tell you as of July 1 they're not going to pay. But

yet they continue to sell the tickets under those false pretenses."

The last state budget expired on June 30, and legislature has failed to pass a new budget in the following months. In that time, the Illinois lottery has racked up a collective \$288 million in prize-money that has yet to be paid to its winners, who paid for their tickets.

The class-action lawsuit filed against the lottery claims fraud was committed by the lottery continuing to advertise and sell tickets for games with jackpots larger than the amount that they're able to pay. The lawsuit claims that because the officials know that they cannot pay these prizes, they're willingly deceiving lottery ticket buyers.

Provoking the winners even further, the lawsuit alleges that the lottery continues to pay wages to their employees, including the \$142,000 salary of acting Lottery Director B.R. Lane, while withholding the prize money until the state passes the budget at an as-yet-to-be-determined time.

If the lawsuit passes, Lane, the Illinois Lottery, and their management group, the Northstar Lottery Group, could be required to pay the winners who have been affected by the budget limitations their promised amounts with an additional 5% interest. The lawsuit also requests that the lottery suspend payment of its administrative or operational costs until the winners receive their prizes. It goes on to demand that the lottery should be suspended from selling tickets for games offering prizes larger than the legal \$25,000 until the lottery is legally able to pay those advertised amounts.

Unpaid winners are contacting Zimmerman, wanting to join the lawsuit until they're paid their promised winnings. But state legislation may soon be filed to allow the state comptroller to cut checks to prize winners before the state budget is passed in an effort to rectify the legal holdup.

According to state Rep. Jack Franks, D-Marengo, "They've got the money — they just don't have the legal authority to spend it," Franks said. Franks is the one offering to file the bill to allow the state comptroller to cut the winners' checks. "My bill will allow them [the comptroller] legal authority to do it. But here's the problem: We're not going to be back in session until Sept. 24 unless the governor calls us back to a special session to fix this. And I think he should, because the integrity of the lottery is at stake."