



A Report on

The Audit of the Fiscal Year 2025 Financial Statements of the Texas Lottery

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State Auditor

Independent Auditor's Report

In our audit report dated January 5, 2026, we concluded that the Texas Lottery's basic financial statements for fiscal year 2025 were materially correct and presented in accordance with accounting principles generally accepted in the United States of America. The Texas Lottery published our audit report as part of its basic financial statements, which it intends to post on its website at

https://www.texaslottery.com/export/sites/lottery/About_Us/Publications/Financial_Information.html.

Report on Internal Control over Financial Reporting and on Compliance and Other Matters

We also issued a report on internal control over financial reporting and on compliance and other matters as required by auditing standards. Our procedures did not identify any material weaknesses in internal control over financial reporting or any noncompliance with laws or regulations that materially affected the financial statements. In addition, the major internal controls that we tested for the purpose of forming our opinions on the financial statements were operating effectively.

Other Audit-related Items

Our procedures were not intended to provide an opinion on internal control over financial reporting or to provide an opinion on compliance with laws and regulations. Accordingly, we do not express an opinion on the effectiveness of the Texas Lottery's internal control over financial reporting or on compliance with laws and regulations.

Effective September 1, 2025, Senate Bill 3070 (89th Legislature, Regular Session) transferred all functions and activities performed by the Texas Lottery Commission relating to the state lottery and the regulation of bingo operations to the Texas Commission of Licensing and Regulation and the Department of Licensing and Regulation.

As required by auditing standards, we have communicated with the Texas Commission of Licensing and Regulation certain matters related to the conduct of a financial statement audit.



Copies of this report have been distributed to the following:

Legislative Audit Committee

The Honorable Dan Patrick, Lieutenant Governor, Joint Chair

The Honorable Dustin Burrows, Speaker of the House, Joint Chair

The Honorable Joan Huffman, Senate Finance Committee

The Honorable Robert Nichols, Member, Texas Senate

The Honorable Greg Bonnen, House Appropriations Committee

The Honorable Morgan Meyer, House Ways and Means Committee

Office of the Governor

The Honorable Greg Abbott, Governor

Department of Licensing and Regulation

Members of the Texas Commission of Licensing and Regulation

Ms. Courtney Arbour, Executive Director



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