CHAIRPERSON JAMES:
Donald Ball.

MR. BALL: I am the owner of the Dover Pharmacy, in Dover, Massachusetts. At the end of 1995, we found that our net income from filling prescriptions was less than the net income from our Lottery sales. This is a result of restrictions placed on independent pharmacies by HMOs and health insurance companies.

Effective January 1, 1996, we discontinued our pharmacy section and filed a DBA certificate to be known as the Dover Store. Currently, we combine a coffee shop, a lunch counter, a soda fountain and a package liquor store, with convenience store items in approximately 800 square feet.

The 1997 census lists the population of Dover as 5,730 in 1,850 households, one of the smaller communities in greater Boston. A town of this size is not able to provide an abundance of municipal services and maintain a realistic tax rate. There is no full time fire department, no town water, no sewer system or rubbish collection or other services found in larger cities and towns.

The 1998 cherry sheet aid analysis from the Commonwealth of Massachusetts lists total aid from the state as just over $380,000. Of this amount, $157,000
or 42 percent, is from the Massachusetts State Lottery. Aid from the Lottery has seen an increase of 70 percent over the past four years, from $108,000 in 1995 to the current figure of over a $157,000. The $157,000 received this year equates to $85 per household, it offsets 74 percent of the town's capital budget of $213,000.

Put in tangibles, the Town of Dover was able to make improvements to the town library, buy computers and software for the high school, refurbish one of its fire trucks, purchase a new police cruiser, automate the school library and purchase a lawn mower for the town cemetery. All this with no effect on the real estate tax rate of $12.02 per thousand, as a direct result of aid received from the Massachusetts Lottery.

Being a Lottery agent has filled a void created by the closing of our prescription department and helped us to continue in business, providing many other services to the community, as we have for the past 37 years.

Thank you.