

OFFICE OF LOTTERY AND GAMING

NOTICE OF EMERGENCY RULEMAKING

(DISTRICT OPERATED RETAIL SPORTS WAGERING PILOT PROGRAM)

The Interim Executive Director of the Office of Lottery and Gaming (Office), pursuant to the authority set forth in Section 4 of the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Official Code §§ 36-601.06(a), 36-621.02, and 36-621.11(2016 Repl.)), and Office of the Chief Financial Officer Management Control Order No. 96-22, effective September 24, 1996, hereby gives notice of the following emergency amendments to Chapter 20 (District Operated Sports Wagering) of Title 30 (Lottery and Charitable Games) of the District of Columbia Municipal Regulations (DCMR).

The emergency rulemaking implements the Office’s District of Columbia (District) operated Retail Sports Wagering Pilot Program. A subsequent rulemaking will be used to adopt non-emergency rules to implement District operated retail sports wagering on a broad basis.

Emergency action is necessary to promote the immediate preservation of the health, safety, and welfare of District residents. The Interim Executive Director has determined that emergency action is necessary to raise additional revenue needed by the District during the recovery phase from the COVID-19 emergency, with a portion of such additional revenues to be used for programs that support the immediate preservation of health, safety, and welfare of District of Columbia residents.

These emergency rules were adopted by the Interim Executive Director on July 27, 2021, took effect immediately, and will remain in effect for up to one hundred twenty (120) days from adoption, expiring November 24, 2021.

Title 30 DCMR, LOTTERY AND CHARITABLE GAMES, is amended as follows:

Chapter 20, Section 2023, [RESERVED], is amended to read as follows:

2023 RETAIL SPORTS WAGERING PILOT PROGRAM

- 2023.1 The Executive Director shall issue a limited number of lottery/sports wagering sales agent licenses during the pilot program.
- 2023.2 Each licensed lottery/sports wagering location shall have a maximum of five (5) sports wagering kiosks.
- 2023.3 The use of sports wagering kiosks is restricted to individuals eighteen (18) years of age and older.
- 2023.4 Sports wagering kiosks shall only accept United States currency.

- 2023.5 The maximum wager amount for a single wager shall be six hundred dollars (\$600).
- 2023.6 No more than six hundred dollars (\$600) can be inserted into the terminal without placing a wager.
- 2023.7 Winning tickets of six hundred dollars (\$600) or less can be used to place wagers up to the value of the winning ticket at a sports wagering kiosk.
- 2023.8 Winning tickets with a value of six hundred dollars (\$600) or less can be redeemed at any lottery/sports wagering sales agent location or at the Office's prize center.
- 2023.9 All winning tickets over six hundred dollars (\$600) must be claimed at the Office's prize center.
- 2023.10 The Office's prize center does not issue cash payments. All payments at the Office's prize center shall be made by check or electronic transfer.
- 2023.11 In order to claim a prize at the Office's prize center, a player shall present a valid government issued drivers license or non-driver identification card and proof of their tax identification number. A player shall also present any other identification required by the Office.
- 2023.12 Prize claims are subject to the provisions contained in District of Columbia Municipal Regulations Chapters 30-5 and 30-6.

Chapter 20, Section 2024, [RESERVED], is amended to read as follows:

2024 LOTTERY/SPORTS WAGERING SALES AGENT LICENSING REQUIREMENTS

- 2024.1 Businesses that apply to be licensed as lottery/sports wagering sales agents shall also be licensed as lottery and daily numbers game agents.
- 2024.2 Active lottery sales agents, as well as new applicants, shall be required to apply to the Office for a separate sports wagering sales agent's license.
- 2024.3 In determining whether to approve an application for a lottery/sports wagering sales agent license, the Office shall consider the following factors:
- (a) Financial responsibility of the business or operation;
 - (b) Accessibility of the place of business or operation to the public;
 - (c) Sufficiency of existing retailer licensees to serve the public; and
 - (d) Volume of expected District-operated sports wagering sales.

- (e) An applicant for a sports wagering sales agent license which shall have a term of two (2) years, shall meet all requirements for licensure and pay an application fee of \$5,000.

2024.4 A lottery/sports wagering license issued during the pilot program shall remain valid for the full two (2) year license term unless the license is revoked or suspended by the Office.

2024.5 Lottery/sports wagering sales agent licenses are subject to the provisions contained in District of Columbia Municipal Regulations Chapters 30-2 through 30-4.

Chapter 20, Section 2025, [RESERVED], is amended to read as follows:

2025 DUTIES OF LOTTERY/SPORTS WAGERING SALES AGENTS

2025.1 Lottery/sports wagering sales agents shall:

- (a) Ensure that all employees responsible for sports wagering activities occurring at the licensed location complete all training required by the Office. Such training shall include the basics of sports wagering, sports wagering equipment use, responsible gaming requirements and suspicious activity reporting requirements.
- (b) Ensure that at least one employee of the licensed location, who has completed the Office's required training, be on duty and on premises at all times when sports wagering activities are occurring at the licensed location. The Office shall issue a certificate or badge to individuals who have completed the Office's required training. Such certificate or badge must be presented immediately upon request to any authorized employee of the Office, Metropolitan Police Department or Alcoholic Beverage Regulation Administration.
- (c) Promptly, but no longer than twenty-four (24) hours, reporting to the Office facts or circumstances related to the operation of sports wagering that may constitute a violation of District or federal law, including suspicious sports wagering over any threshold set by the Office.
- (d) Operate sports wagering in a facility designed to provide sufficient security and shall include the installation and maintenance of security and surveillance equipment, according to specifications approved by the Office. The Office shall have direct access to the surveillance equipment and its transmissions.
- (e) Submit a surveillance plan for Office approval prior to being authorized to accept wagers. Any changes to the surveillance plan must be approved by

the Office. Ensure that all sports wagering kiosks located in the licensed facility are monitored by designated staff and Office-approved security systems that are operational, regularly maintained, and are capable of storing footage for a minimum of fourteen (14) days unless the footage has been used in the investigation of an incident, in which case the footage shall be stored for a minimum of thirty (30) days. Any security footage shall be made available to the Office, and the Metropolitan Police Department upon request; and

- (f) Ensure that its employees and agents conduct sports wagering operations in a manner that does not pose a threat to the public health, safety, and welfare of District residents;
- (g) Employ the use of licensed security officers if required to do so by the Office.
- (h) Prevent an individual, group of individuals or entity from tampering with or interfering with the operation of sports wagering or sports wagering equipment.
- (i) Not move sports wagering equipment from its approved location within the licensed facility. All sports equipment moves shall be made by the Office or its approved contractor.
- (j) Ensure that sports wagering conducted through the use of a sports wagering kiosks is conducted within the sight and control of designated employees of the licensee and under continuous observation by security equipment, as required by the Office.
- (k) Verify that persons seeking to participate in sports wagering are at least eighteen (18) years of age by requiring that they present, upon request, a valid government-issued identification document, including a driver's license, passport, or military ID, that includes the person's name, date of birth, and photograph of the bearer;
- (l) Prohibit any person under the age of eighteen (18) to collect winnings from sports wagering;
- (m) Maintain all required licenses and endorsements issued by the Alcoholic Beverage Control Board.
- (n) Prevent intoxicated or impaired persons from participating in sports wagering and, once aware that such persons are on the Premises, immediately remove them from the approved designated areas for sports wagering on the licensed Premises; and

- (o) Immediately notify security if a person who is under the age of eighteen (18) or is intoxicated or impaired knowingly engages in sports wagering on the licensed Premises.

Chapter 20, Section 2026, [RESERVED], is amended to read as follows:

**2026 REQUIRED POSTINGS AT LOTTERY/SPORTS WAGERING SALES
AGENT LOCATIONS**

2026.1 The following shall be conspicuously posted at the Sports Wagering Facility:

- (a) The lottery/sports wagering sales agent license;
- (b) The name of the sports wagering responsible employee on duty;
- (c) A sign that shall include the statement that is similar to “It is unlawful for any individual who is under 18 years of age or is noticeably intoxicated or impaired to engage in sports wagering.”; and
- (d) A sign which shall contain information preventing, treating, and monitoring compulsive gambling, as well as the National Council on Problem Gambling’s 24 hour toll-free confidential National Helpline —1-800-522-4700 (call or text).