1 2 Councilmember Kenyan R. McDuffie Councilmember Vincent C. Gray 3 4 5 A PROPOSED RESOLUTION 6 7 8 9 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA 10 11 12 13 14 To declare the existence of an emergency with respect to the need to amend the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the 15 District of Columbia, the Day Care Policy Act of 1979, and Neighborhood Engagement 16 17 Achieves Results Amendment Act of 2016 to dedicate all net revenue from Districtoperated sports wagering, with the exception of revenue certified in the approved Fiscal 18 Year 2020 budget for Fiscal Years 2020, 2021, 2022, and 2023, split evenly between the 19 Early Child Development Fund and the Violence Prevention and Intervention Fund. 20 21 BE IT ENACTED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this 22 23 act may be cited as the "Sports Wagering Dedicated Revenue Emergency Declaration Resolution 24 of 2019". Sec 2. (a) In December 2019, there was a commitment made by numerous members of 25 the Council from the dais that 50% of all net revenue from sports wagering would be dedicated 26 to implementing the Birth-to-3 for-All-DC Act and 50% would be deposited into the 27 Neighborhood Safety and Engagement Fund for violence interruption and NEAR Act 28 29 implementation. (b) After changes were made to the administration of the sports wagering program, the 30 bulk of the revenue shifted from the tax on privately operated sports wagering to become a pass 31 32 through of the Office of Lottery and Gaming. This meant that the amount in the "Grand Total Net Revenue" row of the Chief Financial Officer's November 28, 2018 fiscal impact statement 33

- 1 was no longer fully dedicated, and only the "Privately Operated Sports Wagering Subtotal" row
- 2 was dedicated, resulting in only \$1.7 million in dedicated taxes and fees.
- 3 (c) To meet the spirit and intent of what was vocalized from the dais, the Council had to
- 4 claw back an approximately equivalent amount funding that had been diverted to the General
- 5 Fund in the proposed budget for Birth-to-3 and NEAR Act implementation through this budget
- 6 process to successfully recoup what was lost for fiscal years 2020, 2021, 2022, and 2023.
- 7 (d) There is an urgent need to restore the 50/50 dedication of all additional net revenue
- 8 that may be certified beyond what was used to balance the budget and financial plan in FY 2020
- 9 to FY 2023. Then, beginning in FY 2024, which is the year beyond the financial plan, 100% of
- all net revenue for sports wagering would be split evenly between the Early Childhood
- Development Fund and the Violence Prevention and Intervention Fund.
- 12 (e) The Council is voting on CA 23-168, the proposed multiyear contract CFOPD-19-C-
- 13 041 with Intralot, Inc. today (July 9, 2019), and approval of the contract should occur after the
- intent to dedicate sports wagering revenue, as intended, is approved.
- 15 (f) Although there will be no spending authority for these funds, the dedicated revenue
- will be deposited in special funds that may be accessed through a reprogramming of special
- purpose revenue fund authority or a supplemental budget.
- 18 Sec. 3. The Council of the District of Columbia determines that the circumstances
- 19 enumerated in section 2 constitute emergency circumstances making it necessary that the Sports
- 20 Wagering Dedicated Revenue Emergency Amendment Act of 2019 be adopted after a single
- 21 reading.
- Sec. 4. This resolution shall take effect immediately.