Councilmember Kenyan R. McDuffie

Councilmember Vincent C. Gray

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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 District of Columbia to provide that certain revenue from District-operated sports wagering shall be designated to fund, in equal amounts, the Early Child Development Fund and the Violence Prevention and Intervention Fund; to amend the Day Care Policy Act of 1979 to establish the Early Child Development Fund; and to amend Neighborhood Engagement Achieves Results Amendment Act of 2016 to establish the Violence Prevention and Intervention Fund

BE IT ENACTED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Sports Wagering Dedicated Revenue Emergency Declaration Resolution of 2019".

- Sec 2. (a) In December 2019, there was a commitment made by numerous members of the Council from the dais that 50% of all net revenue from sports wagering would be dedicated to implementing the Birth-to-Three for All DC Amendment Act of 2018 and 50% would be deposited into the Neighborhood Safety and Engagement Fund for violence interruption and implementation of the Neighborhood Engagement Achieves Results Amendment Act of 2016 ("NEAR Act").
- (b) After changes were made to the administration of the sports wagering program, the bulk of the revenue shifted from the tax on privately operated sports wagering to become a pass-through of the Office of Lottery and Gaming. This meant that the amount in the "Grand Total

- 1 Net Revenue" row of the Chief Financial Officer's November 28, 2018, fiscal impact statement
- 2 was no longer fully dedicated, and only the "Privately Operated Sports Wagering Subtotal" row
- 3 was dedicated, resulting in only \$1.7 million in dedicated taxes and fees.
- 4 (c) To meet the spirit and intent of what was expressed from the dais, the Council had to
- 5 claw back an approximately equivalent amount of funding that had been diverted to the General
- 6 Fund in the proposed budget for the Birth-to-Three for All DC Amendment Act of 2018 and
- 7 NEAR Act implementation through this budget process to successfully recoup what was lost for
- 8 fiscal years 2020, 2021, 2022, and 2023.
- 9 (d) There is an urgent need to restore the 50/50 dedication of all additional net revenue
- that may be certified beyond what was used to balance the budget and financial plan in FY 2020
- 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
- 13 Development Fund and the Violence Prevention and Intervention Fund.
- 14 (e) The Council is voting on CA 23-168 (Proposed Resolution 23-361), the proposed
- multiyear contract CFOPD-19-C-041 with Intralot, Inc. today (July 9, 2019), and approval of the
- 16 contract should occur after the intent to dedicate sports wagering revenue, as intended, is
- 17 approved.
- 18 (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
- 20 purpose revenue fund authority or a supplemental budget.
- Sec. 3. The Council of the District of Columbia determines that the circumstances
- 22 enumerated in section 2 constitute emergency circumstances making it necessary that the Sports

- Wagering Dedicated Revenue Emergency Amendment Act of 2019 be adopted after a single
- 2 reading.
- 3 Sec. 4. This resolution shall take effect immediately.