


Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: January 31, 2012

SUBJECT: Fiscal Impact Statement – “Lottery Amendment Repeal Act of 2011”

REFERENCE: Bill Number 19-474 – Committee Print, as shared with OCFO on January 30, 2012

Conclusion

Funds are not sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the proposed legislation. Repealing the authority to implement online gambling in the District would reduce revenues by approximately \$7,000 in FY 2012 and \$13.1 million over the FY 2012 through FY 2015 budget and financial plan.

Background

The proposed legislation amends the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes¹ to prohibit the implementation of online gambling (hereafter iGaming). The implementation of iGaming was authorized as part of the Fiscal Year 2011 Supplemental Budget Support Act of 2010; this bill will repeal that authority.²

Financial Plan Impact

Funds are not sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the proposed legislation. The implementation of iGaming in the District was estimated to generate approximately \$7,000 in FY 2012 and \$13.1 million over the FY 2012 through FY 2015 budget and

¹ Effective March 10, 1981 (D.C. Law 3-172; D.C. Official Code § 3-1313).

² Effective April 8, 2011 (D.C. Law 18-370; D.C. Official Code § 3-1313).

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financial plan.³ Since these revenues were incorporated into the District's budget and financial plan, failure to implement the program reduces estimated revenues by the same amount.

| Estimated Fiscal Impact of Bill 19-474, FY 2012 - FY 2015 | | | | | |
|--|----------------|--------------------|--------------------|--------------------|---------------------|
| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | Total |
| Revenue Reduction | \$7,402 | \$2,214,750 | \$4,386,176 | \$6,474,697 | \$13,083,026 |

³ See Fiscal Impact Statement issued for the FY 2011 Budget Support Act of 2010 on December 21, 2010. Available at: http://app.cfo.dc.gov/services/fiscal_impact/pdf/spring09/FINAL-REVISED-FIS-18-1100-Fiscal-Year-2011-Supplemental-Budget-Support-Act-of-2010.pdf