

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia to add a new Title V authorizing and regulating internet gaming in the District of Columbia, to establish a comprehensive licensing, consumer protection, responsible gaming, taxation, reporting, and enforcement framework administered by the Office of Lottery and Gaming, to require Certified Business Enterprise participation plans for internet gaming operators; to establish a Community Reinvestment Fund, to prohibit unlicensed sweepstakes gaming and similar dual-currency gaming products; and to make conforming and administrative provisions necessary to implement internet gaming in the District.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Internet Gaming and Consumer Protection Act of 2026”.

Sec. 2. 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 § 3-1301 *passim*), is amended as follows:

(a) Title I (D.C. Official Code §§ 22-1716 through 22-1718) is amended as follows:

(1) Section 3 (D.C. Official Code § 22-1716) is amended by adding a new subsection (d) to read as follows:

35 “(d) This section shall not apply to internet gaming conducted pursuant to Title V of The  
36 Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable  
37 Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Official  
38 Code § 3-1301 *passim*), or to any activity authorized thereunder and conducted in accordance  
39 with that title and rules issued pursuant to that title.”.

40 (2) Section 3 (D.C. Official Code § 22-1717) is amended by adding a new  
41 subsection (e) to read as follows:

42 “(e) The prohibitions set forth in this section shall not apply to internet gaming conducted  
43 pursuant to Title V of The Law to Legalize Lotteries, Daily Numbers Games, and Bingo and  
44 Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C.  
45 Law 3-172; D.C. Official Code § 3-1301 *passim*).”.

46 (b) A new Title V is added to read as follows:

47 “Title V. Internet Gaming.

48 “Sec. 501 Definitions.

49 (a) For the purpose of this Title, the term:

50 “(1) "Adjusted gross internet gaming revenue" means gross internet gaming  
51 revenue less:

52 (A) all sums actually paid out as winnings to patrons, including the cash  
53 equivalent of any merchandise or thing of value awarded as a prize; and

54 (B) the amount of cancelled, voided, or refunded wagers.

55 “(2) "Certified Business Enterprise" or "CBE" shall have the meaning set forth in  
56 section 2302(1D) of the Small, Local, and Disadvantaged Business Enterprise Development and

Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.02(1D)).

“(3) "CBE plan" means a plan submitted to the Department of Small and Local Business Development demonstrating compliance with the CBE participation requirements of this title.

“(4) "Chief Financial Officer" or "CFO" means the Chief Financial Officer of the District of Columbia, or the CFO's designee acting through the Office of Lottery and Gaming.

“(5) "Community Reinvestment Fund" means the fund established by section 517.

“(6) "Dual-currency gaming product" means a game, promotional scheme, or platform that uses 2 or more forms of currency, credits, tokens, entries, points, or similar units, whether purchased or awarded, where one or more such units may be redeemed, converted, transferred, or used directly or indirectly for cash, cash equivalents, prizes, or prize equivalents.

“(7) "Gross internet gaming revenue" means the total amount of money and cash equivalents wagered by patrons on internet games; provided, that promotional gaming credits shall not be treated as wagers unless required by rule for accounting or auditing purposes.

“(8) "Internet game" means a casino-style game conducted through an internet gaming platform in which a patron wagers money or something of value for the opportunity to win money, a prize, or a prize equivalent, including poker, slots, blackjack, roulette, baccarat, craps, video poker, live-dealer games, peer-to-peer games, and any other game approved by the Office of Lottery and Gaming by rule.

“(9) "Internet gaming" means the offering, conducting, or operation of an internet game through an internet gaming platform.

79                   “(10) "Internet gaming account" means an account established in the name of an  
80 individual patron for the purpose of participating in internet gaming, and includes a shared wallet  
81 approved by the Office of Lottery and Gaming.

82                   “(11) "Internet gaming operator" or "operator" means a person licensed by the  
83 Office of Lottery and Gaming under this title to offer internet gaming.

84                   “(12) "Internet gaming platform" means a website, mobile application, or other  
85 interactive platform accessible through the internet, wireless, mobile, or similar communications  
86 technology that a patron may use to participate in internet gaming.

87                   “(13) "Internet gaming supplier" or "supplier" means a person that provides  
88 internet gaming software, game content, geolocation services, age or identity verification  
89 services, payment processing, live-dealer studio services, or other goods or services specifically  
90 designed for internet gaming, as determined by rule.

91                   “(14) "Key person" means an officer, director, partner, manager, principal  
92 employee, significant owner, or other person designated by the Office of Lottery and Gaming  
93 who exercises substantial influence over the management, control, compliance, or finances of an  
94 applicant or licensee.

95                   “(15) "Office" or “OLG” means the Office of Lottery and Gaming, established  
96 within the Office of the Chief Financial Officer.

97                   “(16) "Patron" means an individual who has established or attempted to establish  
98 an internet gaming account.

99                   “(17) "Permissible jurisdiction" means a state, territory, tribal jurisdiction, or  
100 other lawful jurisdiction with which the District has entered into a reciprocal agreement for  
101 internet gaming.

“(18) "Prize equivalent" means cash, a cash equivalent, merchandise, gift cards, digital assets redeemable for value, or any other item or thing of economic value.

“(19) “Promotional gaming credit” means a non-withdrawable credit provided by an operator to a patron for wagering purposes only, which shall not be redeemable for cash unless and until wagering requirements established by rule are satisfied.

“(20) "Shared wallet" means a wallet or account system approved by the OLG that allows a patron to use one account or wallet for internet gaming, sports wagering, or both, subject to adequate controls.

“(21) "Sweepstakes gaming" means a game, promotional contest, or scheme, whether offered online or in person, in which a person provides money, consideration, or something of value, directly or indirectly, for the opportunity to participate in a casino-style game, a simulated casino-style game, a sports wagering-like game, or a lottery-like game and win a prize or prize equivalent, including through a dual-currency gaming product.”.

“Sec. 502. Authorization of internet gaming.

“(a) Notwithstanding any other provision of law, internet gaming conducted in accordance with this title and rules issued under this title shall not be unlawful in the District.

“(b) An operator may offer internet gaming only through an internet gaming account and only when the patron is physically located in the District or in a permissible jurisdiction and the wager is otherwise lawful.

“(c) Internet gaming authorized by this title shall not include:

(1) Lottery games regulated under Title II 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 § 36-601.01 *et seq.*);

(2) Sports wagering regulated under Title III 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 § 36-621.01 *et seq.*);

or

(3) Game of skills machines regulated under Title IV 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 § 36-641.01 *et seq.*).

“(d) An operator may offer internet gaming under no more than 2internet gaming brands approved by the OLG, including live-dealer games and peer-to-peer games, subject to rules issued under this title.

“(e) Nothing in this title shall be construed to authorize the OLG to establish mandatory minimum or maximum payout percentages, except as necessary to prohibit deceptive practices or protect game integrity.”.

“Sec. 503. Rules and regulations governing conduct of internet gaming.

“(a) To ensure fair and honest play in internet gaming and to protect the economic welfare and interests of the District and participants in internet gaming, the CFO shall adopt the following rules governing the conduct of internet gaming under this title.

“(1) Acceptance of wagers on approved internet games;

“(2) Methods of age verification and identity verification;

“(3) Location verification requirements;

“(4) Posting of house rules, terms, and conditions;

“(5) Player exclusion requirements and responsible gaming requirements;

148 “(6) Types of records to be maintained by licensees;  
149 “(7) Data security, cybersecurity, testing, and certification standards;  
150 “(8) Permitted payment methods and controls on deposits and withdrawals;  
151 “(9) Advertising and promotional standards, including specific protections  
152 relating to minors and misleading promotions;  
153 “(10) Technical standards for internet gaming systems, shared wallets, and live-  
154 dealer studios;  
155 “(11) Requirements relating to how fees and taxes shall be remitted;  
156 “(12) Complaint handling procedures, reporting requirements, and any other  
157 matter necessary to implement this title.  
158 “(b) The OLG may adopt emergency rules to implement this title.  
159 “(c) The OLG may recognize testing, certification, or suitability determinations from  
160 another jurisdiction, but no person or platform shall be deemed authorized to operate in the  
161 District without District approval.”.  
162 “Sec. 504. Licenses required; classes of license; general prohibition.  
163 “(a) Except as provided in a reciprocal agreement approved under section 514, no  
164 individual, group of individuals, or entity may engage in an activity connected with internet  
165 gaming in the District unless all licenses required by this title or by rules issued pursuant to this  
166 title have been duly obtained.  
167 “(b) The OLG shall issue the following licenses under this title:  
168 “(1) Operator;  
169 “(2) Supplier; and

“ (3) Any occupational or other license category the OLG determines necessary by rule to protect the public interest.

“(c) The OLG shall not grant a license until the OLG has determined that each individual or entity that controls the applicant has been approved for licensure or otherwise determined suitable under this title.

“(d) No employee of the Office may be an applicant for or obtain a license issued under this title.”.

“Sec. 505. Operator licensure.

“(a) The OLG shall issue an operator license to each applicant that the OLG finds qualified under this title. The OLG shall not impose a numerical cap on the number of operator licenses.

“(b) The application fee for an operator license shall be \$2,000,000. All application fees submitted to this section shall be non-refundable, regardless of whether the application is approved or denied.

“(c) An operator license shall be valid for 5 years unless suspended, revoked, surrendered, or otherwise terminated.

“(d) The renewal fee for an operator license shall be \$500,000 for each 5-year renewal term.

“(e) Possession of a sports wagering operator license or any other gaming license shall entitle an applicant to an expedited review and approval under this title; provided, that the OLG may rely on prior background investigations or licensure history to streamline review where appropriate.

192 “(f)(1) An operator license shall authorize the operation of not more than 2 internet  
193 gaming brands and platforms, subject to such conditions as the OLG may impose.

194 “(2) The OLG may authorize an operator to operate more than 2 internet gaming  
195 brands upon a showing of good cause, including demonstrated compliance capacity and market  
196 need, provided that such approval is consistent with public interest.

197 “(g) An operator license may not be transferred or assigned except with prior written  
198 approval of the OLG.”.

199 “Sec. 506. Supplier licensure.

200 “(a) A person shall not provide internet gaming goods or services specifically designed  
201 for internet gaming to an operator in the District without a supplier license, unless exempted by  
202 rule because the goods or services are not gaming-specific or do not implicate game integrity or  
203 patron protection.

204 “(b) The application fee for a supplier license shall be \$50,000. All application fees  
205 submitted to this section shall be non-refundable, regardless of whether the application is  
206 approved or denied.

207 “(c) A supplier license shall be valid for 5 years unless suspended, revoked, surrendered,  
208 or otherwise terminated.

209 “(d) The renewal fee for a supplier license shall be \$25,000 for each 5-year renewal term.

210 “(e) The OLG may recognize substantially similar supplier licensure from another  
211 jurisdiction and may streamline review where appropriate; provided, that no supplier shall be  
212 deemed licensed in the District without District approval.

213 “(f) An operator shall be deemed licensed as a supplier only for in-house goods or  
214 services it provides to itself or an approved affiliate, subject to conditions imposed by the OLG.”.

215 “Sec. 507. Applications; suitability; key persons.

216 “(a) An applicant for an operator or supplier license shall submit an application in the  
217 form prescribed by the OLG and shall provide such information as the OLG requires, including  
218 information concerning key persons, significant owners, affiliates, financing sources, and  
219 business operations.

220 “(b) An applicant and each key person shall be subject to District, state, and national  
221 criminal history background checks and shall provide fingerprints, signed authorizations,  
222 financial disclosures, and any other information required by the OLG.

223 “(c) In determining suitability, the OLG shall consider the integrity, financial  
224 responsibility, business ability, compliance history, and character of the applicant and key  
225 persons, including any criminal history, civil fraud, regulatory discipline, or other conduct  
226 indicating a risk to the public interest.

227 “(d) The OLG may deny, condition, suspend, revoke, or refuse to renew a license for lack  
228 of suitability or for any reason that would constitute grounds for discipline under this title.

229 “(e) An operator or supplier shall notify the OLG in writing within 10 days of any  
230 material change in ownership, control, key personnel, financial condition, or information  
231 previously submitted in support of an application.

232 “(f) A person acquiring a direct or indirect ownership or control interest that the OLG  
233 determines to be material shall obtain prior written approval of the OLG.”.

234 “Sec. 508. Certified Business Enterprise participation plan requirement.

235 “(a) The OLG shall issue an operator license only if the applicant, in conjunction with its  
236 application, submits to the Department of Small and Local Business Development (“DSLBD”)

for approval a CBE plan demonstrating that at least 35% of the applicant's District-related operating budget for internet gaming will be contracted with one or more CBEs.

“(b) The CBE plan shall include:

“(1) The name and address of each proposed contractor;

“(2) Current certification documentation for each CBE;

“(3) The scope of work to be performed by each contractor, which shall be for a commercially useful function related to internet gaming;

“(4) The dollar value or percentage of work to be performed by each contractor; and

“(5) Any other information required by DSLBD or the OLG.

“(c) An applicant may satisfy subsection (a) of this section by entering into a joint venture with a CBE if approved by DSLBD and the OLG.

“(d) An applicant may request a waiver from DSLBD of the contracting or joint venture requirements of subsection (a) of this section; provided, that if DSLBD neither approves nor denies the request within 30 days after submission, the waiver shall be deemed approved as a matter of law.

“(e) An operator shall file semiannual compliance reports with the OLG and DSLBD describing its performance under its approved CBE plan. Failure to make good-faith efforts to comply with an approved plan may constitute grounds for civil penalties, corrective action, or license discipline.”.

“Sec. 509. Patron accounts; age, identity, and geolocation.

“(a) A person shall be at least 21 years of age to establish an internet gaming account, place an internet gaming wager, or otherwise participate in internet gaming under this title.

259 “(b) An operator shall not permit a patron to place a wager until the patron's age and  
260 identity have been verified to the satisfaction of the operator and the OLG's technical standards.

261 “(c) A patron may establish an internet gaming account remotely from within the District,  
262 subject to age verification, identity verification, and any other requirements of this title.

263 “(d) A patron account shall be established only in the name of a natural person, shall be  
264 nontransferable, and may not be sold, assigned, or used by any person other than the registered  
265 patron.

266 “(e) A patron shall not have more than one account with the same internet gaming brand  
267 unless otherwise approved by the OLG.

268 “(f) An operator shall provide timely and secure means for deposits and withdrawals  
269 through payment methods approved by the OLG.

270 “(g) An operator shall suspend or close an account if the operator knows or reasonably  
271 should know that the account holder is underage, is prohibited from gaming, has provided  
272 materially false information, or is engaged in fraud, collusion, cheating, or other unlawful  
273 activity.”.

274 “Sec. 510. Duties of operators.

275 “(a) An operator shall use commercially reasonable methods and any methods required  
276 by rule to:

277 “(1) Verify the age and identity of each patron;

278 “(2) Verify the physical location of each patron at the time each wager is initiated  
279 and accepted;

280 “(3) Prevent underage play, unauthorized access, collusion, cheating, bots,  
281 account fraud, and proxy wagering;

282                   “(4) Protect the confidentiality and security of patron information, wagering data,  
283 and account data;

284                   “(5) Maintain accurate books and records;

285                   “(6) Detect suspicious activity and report it as required by rule;

286                   “(7) Provide clear house rules, patron terms and conditions, privacy disclosures,  
287 and complaint procedures;

288                   “(8) Maintain customer support reasonably sufficient to serve patrons in the  
289 District; and

290                   “(9) Comply with responsible gaming requirements under this title.

291                   “(b) An operator shall maintain sufficient reserves, in a form approved by the OLG, to  
292 cover patron account balances, unpaid winnings, and outstanding wager liabilities. The OLG  
293 may require a reserve of not less than \$500,000 or a greater amount necessary to protect patrons  
294 and the District.

295                   “(c) Patron funds shall be held in trust or in one or more segregated accounts separate  
296 from operational funds, or by another method approved by the OLG that provides equivalent or  
297 greater protection to patrons.

298                   “(d) An operator may permit a shared wallet with sports wagering only if approved by the  
299 OLG and subject to controls sufficient to distinguish liabilities, tax reporting, and patron  
300 protections across product categories.

301                   “(e)(1) An operator shall be prohibited from creating an internet wagering account or  
302 placing an internet wager through its own applications and shall employ reasonable methods to  
303 prohibit:

304 “(A) A director, officer, owner, or employee of the operator, and any  
305 living relative living in the same household as the aforementioned individuals from creating an  
306 internet wagering account or placing an internet wager with the operator;

307 “(B) An individual, group of individuals, or entity with access to non-  
308 public confidential information held by the operator from creating an internet wagering account  
309 or placing an internet wager with the operator; or

310 “(C) An individual, group of individuals, or entity from creating an  
311 internet wagering account or placing a wager as an agent or proxy for others.

312 “(2) In determining which individual, group of individuals, or entity is to be  
313 excluding from creating an internet wagering account or placing an internet wager pursuant to  
314 paragraph (1) of this subsection, an operator shall use publicly available information and any  
315 lists of such individuals, group of individuals or entities that operator develops.

316 “(f)(1) An operator shall implement controls to verify that payment methods used to fund  
317 a patron account are owned by, or lawfully authorized by, the patron.

318 “(2) An operator shall identify and flag discrepancies between the patron identify  
319 and the source of funds.

320 “(3) Where an operator has reason to believe that a patron is using funds provided  
321 by a third party without authorization, the operator shall:

322 “(A) Suspend the account pending investigation; and

323 “(B) Report such activity to OLG.

324 “(4) The OLG may establish additional requirements relating to third-  
325 party funding and financial harm prevention.”.

326 “Sec. 511. Responsible gaming; voluntary exclusion.

327           “(a) Each operator shall provide, at a minimum, the following responsible gaming tools  
328 to each patron through the internet gaming platform:

329           “(1) Deposit limits that may be set on a daily, weekly, and monthly basis;

330           “(2) Spend or loss limits that may be set on a daily, weekly, and monthly basis;

331           “(3) Session or time limits, including a daily time-based limit;

332           “(4) Cooling-off periods or temporary suspensions of not less than 72 hours;

333           “(5) Self-exclusion and account closure options consistent with OLG rules;

334           “(6) Real-time or near-real-time access to account history, including deposits,  
335 withdrawals, wagers, wins, losses, and time spent on the platform;

336           “(7) Periodic reminders of time spent and net activity during a session; and

337           “(8) Procedures to evaluate requests made by third parties to exclude an  
338 individual from internet gaming, including requests to exclude an individual from placing sports  
339 wagers when the requestor provides documentary evidence of sole joint financial responsibility  
340 for the source of funds deposited with an operator by the individual.”(b) A decrease in a patron-  
341 imposed limit shall take effect as soon as practicable and not later than the patron's next login.  
342 An increase in a limit shall take effect only after a cooling-off period established by rule.

343           “(c) The OLG shall establish and maintain a voluntary exclusion program for internet  
344 gaming or shall incorporate internet gaming into an existing Office exclusion program.

345           “(d) The voluntary exclusion program shall provide procedures for verification of an  
346 exclusion request, the duration of exclusion, petitions for removal where appropriate,  
347 dissemination of exclusion information to operators, and cessation of direct marketing to  
348 excluded individuals.

“(e) Information identifying a person on the voluntary exclusion list shall be confidential except as necessary to administer the program, comply with law, or effectuate exclusion across affiliated lawful gaming operations as permitted by rule.

“(f) Each operator shall train relevant employees on responsible gaming, underage gaming prevention, and escalation procedures and shall submit an annual responsible gaming report to the OLG.

“(g) An operator shall establish default deposit and loss limits for new patron accounts, which may be modified by the patron following acknowledgment of responsible gaming information.

“(h) The OLG may establish maximum limits or other safeguards for high-risk patrons based on data-driven indicators of harmful play.”.

“Sec. 512. Advertising, marketing, and promotional standards.

“(a) Advertising and marketing relating to internet gaming shall be truthful, not misleading to a reasonable consumer, and consistent with this title and rules issued by the OLG.

“(b) Advertising and marketing shall not intentionally target persons under 21 years of age or other prohibited persons.

“(c) Advertising and marketing shall include responsible gaming messaging and information about how to access help resources, in a manner prescribed by rule.

“(d) Promotional offers, bonuses, credits, and incentives shall be disclosed clearly and conspicuously, including material restrictions, play-through or rollover requirements, expiration periods, and withdrawal conditions.

“(e) The OLG may prohibit or restrict advertising or promotional practices that the OLG finds unfair, deceptive, predatory, or contrary to the public interest.

372 “(f)(1) An operator shall not deduct the value of promotional gaming credits from  
373 adjusted gross internet gaming revenue except as expressly authorized by this section.

374 “(2) Beginning on the first day of the third year after initial licensure, the total  
375 value of promotional gaming credits deducted by an operator in any fiscal year shall not exceed  
376 1.75% of the operator’s adjusted gross internet gaming revenue for that fiscal year.

377 “(3) The Office may authorize a higher temporary cap for a period not to exceed  
378 12 months following initial licensure to support market entry.

379 “(4) Promotional gaming credits shall not be:

380 “(A) Transferrable between patrons;

381 “(B) Redeemable for cash absent wagering requirements; or

382 “(C) Structured to evade the limitations of this subsection.”.

383 “Sec. 513. Technology standards; cybersecurity; records; regulatory access.

384 “(a) An operator and supplier shall implement and maintain information security and  
385 cybersecurity controls reasonably designed to protect patron data, wagering data, and critical  
386 systems.

387 “(b) The OLG may require compliance with industry-recognized cybersecurity and  
388 information security frameworks, including multi-factor authentication, encryption, logging,  
389 access controls, incident response, vendor oversight, and periodic testing.

390 “(c) All primary systems necessary to the placement or resolution of internet gaming  
391 wagers shall be located in the United States unless the OLG approves otherwise for good cause  
392 and subject to conditions necessary to protect the public interest and regulatory access.

393 “(d) An operator shall use OLG-approved geolocation methods and age and identity  
394 verification methods.

395 “(e) An operator and supplier shall maintain records of each wager, transaction,  
396 adjustment, login, withdrawal, deposit, geolocation decision, promotional gaming credit, and  
397 suspicious activity report for a period specified by the OLG, which shall not be less than 3 years.

398 “(f) The OLG shall have access, directly or indirectly, to the data, records, reports, and  
399 systems necessary to administer and enforce this title.

400 “(g) The OLG may require independent testing and certification of games, platforms,  
401 systems, random number generators, geolocation systems, and any other components relevant to  
402 integrity and compliance.”.

403 “Sec. 514. Reciprocal agreements.

404 “(a) The Executive or the Council may enter into reciprocal agreements with permissible  
405 jurisdictions for the conduct of lawful internet gaming, including pooled liquidity and interstate  
406 or interjurisdictional internet poker, to the extent authorized by federal law.

407 “(b) A reciprocal agreement may permit:

408 (1) persons physically located in a permissible jurisdiction to place wagers with  
409 an operator licensed in the District; and

410 (2) persons physically located in the District to place wagers with a person  
411 licensed in a permissible jurisdiction, subject to the terms of the agreement and applicable law.

412 “(c) The Executive or the Council may require that reciprocal agreements include  
413 provisions addressing enforcement, revenue allocation, regulatory access, responsible gaming,  
414 anti-money laundering cooperation, dispute resolution, and any other protections the OLG deems  
415 necessary.”.

416 “Sec. 515. Taxation of internet gaming.

417 “(a) On or before the 20th day of each month, an operator shall:

418                   “(1) File a return, on forms and in the manner prescribed by the OLG, indicating  
419 the amount of its adjusted gross internet gaming revenue for the preceding calendar month; and

420                   “(2) Pay to the District of Columbia Treasurer an amount equal to 25% of the  
421 operator’s adjusted gross internet gaming revenue for the preceding calendar month.

422                   (2)(A) From the tax revenue collected pursuant to subsection (a)(2) of this  
423 section:

424                   (i) The first \$500,000 shall be transferred to the Department of Behavioral  
425 Health, or to such District agency or agencies as may be designated by law, for prevention,  
426 education, treatment, referral, and recovery services related to gambling addiction and related  
427 behavioral health needs.

428                   “(b) If adjusted gross internet gaming revenue is negative for a month, the operator may  
429 carry the negative amount forward against subsequent months for not more than 6 months after  
430 the month in which the negative amount occurred.

431                   “(c) All funds owed to the District under this title shall be held in trust within the  
432 boundaries of the District for the District by an operator until the funds are paid to the District of  
433 Columbia Treasurer. An operator shall establish one or more separate bank accounts into which  
434 internet gaming revenue shall be deposited and maintained until such time as the funds are paid  
435 to the District.

436                   “(d) The OLG may allow credits or refunds for refunded or cancelled wagers in a manner  
437 prescribed by rule.

438                   “(e) An operator shall maintain records sufficient to substantiate all figures reported on  
439 tax returns filed under this section and shall make such records available to the OLG upon  
440 request.”.

441 “Sec. 516. License fees and administrative costs.

442 “(a) License fees collected under this title shall be deposited into the General Fund of the  
443 District of Columbia.

444 “(b) The administrative and operational cost of the Office of Lottery and Gaming to  
445 implement the provisions shall be funded through appropriations.

446 “(c) Any annual tax revenue remaining collected pursuant to section 515, after the  
447 allocations required by this title shall be deposited into the General Fund of the District of  
448 Columbia.”.

449 “Sec. 517. Regulatory assessment for administration

450 “(a) Each licensed operator shall remit to the District a regulatory assessment equal to 2%  
451 of the operator’s adjusted gross internet gaming revenue.

452 “(b) Amounts collected pursuant to this section shall be deposited into a dedicated  
453 account within the General Fund and shall be used solely for the administration, regulation, and  
454 enforcement of this title by the Office of Lottery and Gaming.

455 “(c) The regulatory assessment imposed under this section shall not be considered a tax.

456 “(d) The assessment shall be reasonably related to the costs of regulating internet gaming  
457 in the District.

458 “(e) Any amounts collected in excess of the reasonable costs of administration shall  
459 revert to the General Fund at the end of the fiscal year.”.

460 “Sec. 518. iGaming Community Reinvestment Fund.

461 “(a) There is established as a special fund the iGaming Community Reinvestment Fund  
462 (“Fund”), which shall be administered by the Chief Financial Officer, or to such District agency  
463 or agencies as may be designated by law, in accordance with this section.

464 “(b) Each licensed operator shall remit to the District a community impact assessment in  
465 an amount equal to 2% of the operator’s adjusted gross internet gaming revenue.

466 “(c) Amounts collected pursuant to this subsection shall be deposited into the Fund and  
467 shall not be considered part of the tax imposed under section 515.

468 “(d)(1) Money in the Fund shall be used, subject to authorization in an approved budget  
469 and financial plan, solely for programs, services, and initiatives designed to mitigate the social  
470 and economic impacts of internet gaming.

471 “(2) The Chief Financial Officer shall transfer money from the Fund, as provided  
472 in an approved budget and financial plan, to the following agencies for the following purposes:

473 “(A) 30% to the Department of Insurance, Securities, and Banking, for  
474 Debt management, financial counseling, consumer financial protection, and financial literacy  
475 programs and services;

476 “(B) 30% to the Office of Victim Services and Justice Grants, for  
477 domestic violence, intimate partner violence, survivor services, and family stability programs;

478 “(C) 10% to the Department of Health, for research and evaluation  
479 services on gambling behavior and gambling addiction;

480 “(D) 30% to the Department of Employment Services, for youth  
481 development, and training programs related to artificial intelligence, gaming, coding and  
482 software development, and related technology fields.

483 “(e) The money deposited into the Fund, and any interest earned thereon, shall not revert  
484 to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a  
485 fiscal year, or at any other time.

““(f)(1) Not later than 120 days after the end of each fiscal year, the recipient agencies, in coordination with the Chief Financial Officer and Office of Lottery and Gaming, shall submit to the Council and publish on a publicly accessible website a report on the Fund.

“(2) The report shall include:

“(A) Total amounts collected and expended;

“(B) Programmatic uses of funds by agency;

“(C) Outcomes and performance metrics, where available; and

“(D) An assessment of the extent to which funded programs mitigate the impacts of internet gaming.

“(g) The fund shall supplement, and not supplant, existing funding for the purposes described in this section.

“(h) The Fund shall be accounted for as a special fund in accordance with section § 47-131 of the District of Columbia Official Code.”.

“Sec. 519. Reporting; confidentiality; public records.

“(a) Not later than 120 days after the end of each fiscal year, the OLG shall submit to the Council and publish on the Office's website an annual report on internet gaming in the District.

“(b) The annual report shall include, at a minimum:

“(1) The number of licensed operators and suppliers;

“(2) Aggregate internet gaming revenue, tax collections, and license fee collections;

“(3) Amounts directed to behavioral health purposes and to the Community Reinvestment Fund;

“(4) Enforcement actions taken under this title;

509 “(5) Complaint trends and dispute-resolution information, in aggregate form;

510 “(6) Data on voluntary exclusions and the use of responsible gaming tools, in

511 aggregate form consistent with privacy protections; and

512 “(7) Operator compliance with CBE plans and local participation commitments.

513 “(c) The following application-related information shall be public records unless

514 otherwise protected by law: the name and principal business address of an applicant or licensee;

515 the names of key persons; the internet gaming brands proposed or approved; and the grant,

516 denial, suspension, revocation, or nonrenewal of a license.

517 “(d) Investigative files, security protocols, patron-identifying information, trade secrets,

518 and confidential commercial or financial information submitted to the OLG shall be protected

519 from disclosure to the extent permitted by District law.

520 “(e) Nothing in this section shall prevent the OLG from sharing information with law

521 enforcement, regulatory agencies, the Department of Small and Local Business Development,

522 the Attorney General for the District of Columbia, or other governmental entities as authorized

523 by law.”.

524 “Sec. 520. Enforcement; unlawful acts; sweepstakes gaming prohibition.

525 “(a) If the OLG determines, after notice and an opportunity for hearing, that a licensee

526 has violated this title, a rule or order of the OLG, or a condition of licensure, the OLG may:

527 “(1) Issue a reprimand or corrective action order;

528 “(2) Impose a civil fine of not more than \$100,000 for each violation;

529 “(3) Impose a civil fine of not more than \$500,000 for violations arising out of the

530 same transaction, occurrence, pattern, or practice, where the OLG finds such aggregation

531 appropriate;

532 (4) Suspend, revoke, condition, or refuse to renew a license; and  
533 (5) Require restitution or other remedial measures where authorized by law.

534 “(b) The OLG may issue cease and desist orders to persons engaged in unlicensed  
535 internet gaming, unlawful sweepstakes gaming, or other conduct prohibited by this title and may  
536 seek injunctive relief and any other appropriate remedy in a court of competent jurisdiction.

537 “(c) Except as conducted by a licensed operator under this title or otherwise expressly  
538 authorized by District law, a person shall not offer, promote, or conduct sweepstakes gaming, a  
539 dual-currency gaming product, or any other product that mimics or simulates casino-style  
540 gaming, sports wagering, lottery-style gaming, or a substantially similar gambling activity where  
541 a person provides consideration or something of value for the opportunity to win a prize or prize  
542 equivalent.

543 “(d) For purposes of subsection (c) of this section, consideration may be direct or indirect  
544 and includes the purchase of credits, tokens, entries, subscriptions, access, or any similar item or  
545 service that is part of the ability to participate or continue participating.

546 “(e) Each day of a violation of subsection (c) of this section shall constitute a separate  
547 violation.

548 “(f) The remedies in this section are cumulative and not exclusive and do not limit any  
549 authority otherwise available under District law.

550 “(g) The Attorney General for the District of Columbia may bring a civil action in a court  
551 of competent jurisdiction to enforce this title, including actions for injunctive relief, civil  
552 penalties, restitution, and disgorgement.”.

553 “Sec. 521. Implementation.

554 “(a) The CFO shall issue proposed and, as appropriate, emergency rules to implement  
555 this title not later than 90 days after the effective date of this act.

556 “(b) The CFO shall establish an application process not later than 30 days after the  
557 effective date of this act.

558 “(c) Internet gaming shall not commence until the CFO certifies that the regulatory  
559 framework, technical standards, and integrity controls necessary to protect the public and the  
560 District are in place.

561 “(d) The CFO shall authorize the launch of internet gaming as soon as practicable, but not  
562 later than 180 days after the effective date of this act, unless the Mayor transmits to the Council a  
563 written determination that additional time is required to ensure public protection, regulatory  
564 readiness, or system integrity.”.

565 “Sec. 522. Conflict with federal law.

566 “Nothing in this title shall be construed to authorize noncompliance with any provision of  
567 any federal law or regulation. Notwithstanding any provision in this title, no internet wagering,  
568 or gambling in any form, or the operation of gambling devices shall be allowed on federal  
569 property, where such activity is prohibited by federal law or regulation or is contrary to section  
570 602(a)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87  
571 Stat.813; D.C. Official Code § 1–206.02(a)(3)).”.

572 Sec. 3 Rules.

573 The Chief Financial Officer of the District of Columbia, pursuant to section 424(d) of the  
574 District of Columbia Home Rule Act, approved April 17, 1995 (109 Stat.14; D.C. Official Code  
575 § 1-204.24d), shall issue rules to implement the provisions of this act.

576 Sec. 4. Applicability.

(a) This act shall apply upon the date of inclusion of its fiscal effect in an approved budget and financial plan.

(b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal effect in an approved budget and financial plan, and provide notice to the Budget Director of the Council of the certification

(c)(1) The Budget Director shall cause the notice of the certification to be published in the District of Columbia Register.

(2) The date of the publication of the notice of the certification shall not affect the applicability of this act.

#### Sec. 5. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

#### Sec. 6. Severability.

If any provision of this act or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

#### Sec. 7. Effective date.

This act shall take effect following approval by the Mayor (or, in the event of veto by the Mayor, action by the Council to override the veto) and a 60-day period of congressional review as provided in section 602(c)(2) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-206.02(c)(2)).