iDEA Growth through regulated online gaming
iDevelopment & Economic Association

iDEAgrowth.org

July 24, 2025

Council of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Re: Fiscal Year 2026 Budget Support Act of 2025

Dear Councilmembers:

The iDevelopment and Economic Association (iDEA) writes to correct the record regarding Section 2064 of the proposed Fiscal Year 2026 Budget Support Act ("BSA").[1] iDEA is a non-profit association whose mission is to expand the online gaming and betting industries in the United States through advocacy and education. Our members are committed to responsible gaming and represent every sector in this rapidly growing industry, including operations, payment processing, development, technology, media, and law. On behalf of our members, we encourage the Council to adopt Section 2064 as proposed in the BSA.

Section 2064 would amend the District's gambling loss recovery statute, D.C. Code § 16-1702.[2] The amendment would clarify what should already be obvious: section 16-1702 does not permit players or third parties to recover losses associated with sports wagering and other activities expressly authorized by District of Columbia law.

Section 16-1702's roots reach back to the British Gaming Act of 1710, commonly known in the United States as the "Statute of Anne." After independence, and in the absence of robust local law enforcement, many states adopted similar gambling loss recovery statutes to promote the enforcement of state laws prohibiting nearly all forms of gambling.[3] But, as celebrated Seventh Circuit Judge Richard Posner noted in a 2016 opinion, this strong opposition to gambling has given way to a different approach.[4] Across the country, states have gradually loosened their prohibitions on gambling in favor of a legal, regulated industry.

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[1] D.C. Bill 26-0265.
[2] D.C. Code § 16-1702.
[3] *See e.g.*, *Plummer v. Gray*, 74 Mass. 243, 243 (Mass. 1857) (discussing Massachusetts statute first enacted in 1785); *Humphrey v. Viacom, Inc.*, 2007 WL 1797648, at *5 (quoting *Salomon v. Taft Broadcasting Co.*, 475 N.E.2d 1292, 1298 (Ohio Ct. App. 1984)) (discussing origins of loss recovery statutes).
[4] *Sonnenberg v. Amaya Group Holdings (IOM) Ltd.*, 810 F.3d 509, 510 (7th Cir. 2016).

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The District of Columbia is no exception to this trend. In 2018, the Council enacted the Sports Wagering Lottery Amendment Act of 2018 (the "Sports Wagering Act"), which authorized sports wagering and related activities in the District of Columbia.[5] It also carved licensed, regulated sports wagering out of the District's criminal statute prohibiting betting or wagering on sporting events.[6] Since then, the Office of Lottery and Gaming has licensed several operators to offer in-person or online sports wagering services to residents of and visitors to the District.[7]

In authorizing sports wagering, the Council determined that the District would benefit from the revenue a legal, regulated industry would produce. Until recently, no one seriously thought that the Statute of Anne would permit third parties to recover purported gambling losses from operators offering sports wagering in compliance with the Sports Wagering Act. That is because doing so would undermine the Council's major goal in authorizing sports wagering: raising revenue to fund District programs, create jobs, and encourage visitors to spend more money in the District.[8] Allowing private litigants to profit by imposing exorbitant penalties on a relatively young industry would thwart the Council's carefully considered policy judgment and the comprehensive regulatory regime governing sports wagering in the District.

Accordingly, the District's Statute of Anne does not apply to sports wagering. As courts considering similar statutes have recognized, they do not apply to authorized forms of gaming.[9] Nevertheless, recent litigation on behalf of anonymous private actors with deep pockets but no apparent connection to the District makes it necessary for the Council to state the obvious.

Without a clear statement that the Statute of Anne does not apply to legal, regulated gaming, there is no reason to think that litigants like D.C. Gambling Recovery LLC will stop at sports wagering. Offerings that District law has permitted for decades—from the D.C. Lottery to charitable bingo, raffles, and Monte Carlo nights—will be next on the list. Such actions would, in effect, strip the Council of its legislative authority and deprive the District of important sources of

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[5] D.C. Law 22-312; D.C. Code § 36-621.01 *et seq.*

[6] D.C. Code § 22-1717.

[7] *See* DC Office of Lottery and Gaming / Sports Wagering Approved Licenses, DC Lottery, https://dclottery.com/sites/default/files/2025-07/OLG-SW-Approved-Sports-Wagering-Licenses-Rev-07.10.25.pdf.

[8] Council of the District of Columbia, Committee on Finance and Revenue, Report on Bill 22-944 (Nov. 28, 2018), https://lims.dccouncil.gov/downloads/LIMS/40922/Committee_Report/B22-0944-CommitteeReport1.pdf?Id=62634.

[9] Illinois courts, for example, have recognized that its loss recovery statute does not apply to games of chance excluded from Illinois' criminal gambling statutes even though, like section 16-1702, the Illinois statute simply refers to persons who lose money "by gambling." *See e.g.*, *Moushon v. AAA Amusement, Inc.*, 641 N.E.2d 1201, 1202–03 (App. Ct. Ill. 1994) (analyzing 720 ILCS 5/28-8(a)).

revenue that have contributed billions of dollars to the District's General Fund and millions of dollars to important charitable causes.[10]

While some may wish to return to the era of strict prohibition, the Council has chosen a more forward-looking approach. The Council should take this opportunity to reaffirm that choice. Section 2064 will clarify once and for all that District law does not permit a private litigant to reap a windfall by exploiting an antiquated statute to eviscerate an industry the Council itself has expressly authorized.

For all of these reasons, the Council should adopt Section 2064 as proposed in the BSA.

Sincerely,

Jeff Ifrah, Founder & General Counsel
iDevelopment and Economic Association

[10] In Fiscal Year 2024, for example, the DC Lottery transferred nearly $40 million to the District's General Fund. Since the Lottery's inception in 1982, it has contributed more than $2.4 billion to the General Fund. Charitable gaming has raised close to $140 million dollars to support important causes in the District. *See* Where the Money Goes, DC Lottery, https://dclottery.com/where-money-goes.