

North American Association of State & Provincial Lotteries

7470 Auburn Road, LL1
Concord, OH 44077
P. 440.361.7962
F. 440.867.2327
www.naspl.org



February 4, 2019

Concord, Ohio

NASPL Responds to the DOJ Reversal of Opinion

The North American Association of State and Provincial Lotteries (NASPL) is the non-profit professional trade association representing the 52 government-sanctioned state and provincial lottery jurisdictions throughout North America, including the 47 lotteries operating in the U.S., Puerto Rico and Virgin Islands. These U.S. lotteries currently provide more than \$23 billion in annual revenue to the good causes they support within their jurisdictions, from education to the environment to economic development to senior citizen and veteran programs, and much more.

The recent United States Department of Justice, (DOJ) reinterpretation of the Wire Act of 1961 creates a substantially detrimental impact on the lottery industry, including traditional retail-based draw and instant lottery games, as well as traditional lottery games offered over the Internet, and the billions of dollars for good causes lotteries provide. Therefore, NASPL's respectful response to the DOJ reversal of its 2011 Wire Act opinion follows:

The 2011 DOJ opinion set in motion critical enhancements and improvements within the U.S. government-sanctioned lottery industry. These enhancements in lottery infrastructure, functionality, sales and communications not only advanced lottery technology capabilities, but allowed lotteries to evolve into meeting consumers' demands in a world of technology that was not even imagined in the era of the original Wire Act. These enhancements and improvements complemented traditional retail transactions which have been going on for nearly five decades and have brought tens of billions of dollars in revenue to good causes throughout the country.

The lottery industry's infrastructure enhancements have also provided lotteries increased transaction transparency and efficiency and are an important factor in the ability of lotteries to continue contributing billions of dollars annually to good causes throughout the country. DOJ's reinterpretation of the Wire Act creates substantial uncertainty concerning the legal status of lottery transactions, including these critical enhancements and improvements, many of which were made in reliance on the 2011 opinion, and the related contractual obligations and the industry's ability to provide critically needed funding for important public interests.

NASPL and the lottery industry together stand ready to work immediately with the DOJ to assist in the understanding and resolution of satisfactory solutions for the confluence of technology, policy and law now described in the DOJ's opinion reversal issued January 14, 2019. Ultimately, the good causes our lotteries work for every day need to be sustained and the revenues tied to those good causes need to continue to grow to meet the needs of government-sponsored programs and growing budgetary requirements.

Media contact: David Gale, Executive Director, dgale@nasplhq.org