



SPONSOR: Rep. Cooke & Rep. Bush & Rep. Michael Smith

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE RESOLUTION NO. 6

ESTABLISHING AN INTERNET SPORTS LOTTERY LEGISLATIVE WORKING GROUP.

1 WHEREAS, the General Assembly authorized the establishment of a state-operated lottery system in 1974 to be
2 administered in a manner which “produces the greatest income for the State”; and

3 WHEREAS, recognizing the critical role the lottery now plays in the State’s economy and the significant revenue
4 contributions the lottery provides to the State, the General Assembly has continually acted to assure Delaware’s lottery
5 system remains competitive, including through the authorization of a video lottery in 1994 (69 Del. Laws, c. 446), the
6 addition of a sports lottery in 2009 (77 Del. Laws, c. 28) and table games in 2010 (77 Del. Laws, c. 219), and passage of the
7 “The Delaware Gaming Competitiveness Act of 2012” (78 Del. Laws, c. 285) authorizing use of the Internet for lottery
8 games; and

9 WHEREAS, thirty-six states (including Delaware), Puerto Rico and the District of Columbia have all legalized
10 some form of sports lottery and twenty-seven states have legalized online sports wagering using the internet, including
11 Maryland, Pennsylvania, and New Jersey; and

12 WHEREAS, although Delaware has not implemented an internet sports lottery to date, the Delaware Lottery
13 Office recently issued a request for proposal for “Internet Wagering System and Services Solution (FIN23001-IWSSS)”
14 seeking a single, primary vendor to provide internet-based lottery games and related services with the potential option to
15 add internet sports betting under a contract with a 5-year initial term and the possibility of 5 additional extensions of 1-year
16 each; and

17 WHEREAS, more than 80% of legal sports wagers in the United States are placed online through computers or
18 smartphones and states with competitive online sports wagering markets– i.e. states with multiple operators - recognize
19 higher gross gaming revenue per adult than states with restricted markets controlled by a one or two primary vendors; and

20 WHEREAS, our neighboring states of Maryland, Pennsylvania and New Jersey all have competitive online sports
21 wagering markets and Delaware residents already travel to these states to place wagers with their preferred operator(s); and

22 WHEREAS, the House of Representatives believes any internet sports lottery authorized in Delaware should: (i)
23 help assure Delaware’s lottery offerings remain competitive; (ii) offer Delaware residents a legal, regulated market in which
24 to engage in online sports lottery games; (iii) address consumer demand and draw consumers from neighboring states and

the thriving, illicit offshore gambling market; (iv) provide consumer protections and safeguards; and (v) be operated in a manner which will produce the greatest income for the State; and

WHEREAS, the House of Representatives believes a workgroup of interested legislators should be established to review various models adopted by other states and make recommendations on how to best implement an internet sports lottery in Delaware before a contract with a term of up to 10 years is awarded.

NOW, THEREFORE:

BE IT RESOLVED by the House of Representatives of the 152nd General Assembly of the State of Delaware that an Internet Sports Lottery Legislative Working Group (“Working Group”) is hereby established for the purposes provided herein.

BE IT FURTHER RESOLVED that the Working Group shall be composed of the following members:

(1) Two members of the House Majority Caucus to be appointed by the Speaker, who shall serve as co-chairs of the Working Group.

(2) Two members of the House Minority Caucus to be appointed by the Minority Leader.

BE IT FURTHER RESOLVED that the Working Group conduct an evaluation of the State’s current sports lottery framework and the legal, regulated online sports wagering markets in other states, with a primary focus on Delaware’s neighboring states - Maryland, Pennsylvania, and New Jersey. Such evaluation shall include a review of Delaware’s current sports lottery offerings and the online sports lottery models adopted in other states, including the tax and licensing structure, number of licensees, revenue history and projections, and the estimated size of the internet sports lottery market in Delaware.

BE IT FURTHER RESOLVED that the Working Group is requested to provide its recommendations to the House of Representatives on or before June 30, 2023.

SYNOPSIS

This House Resolution creates an Internet Sports Lottery Legislative Working Group to evaluate and make recommendations on authorizing an internet sports lottery in Delaware.