

PUBLIC HEARING
ON
THE FISCAL YEAR 2027 BUDGET
OF THE OFFICE OF
LOTTERY AND GAMING

Before the
Committee on Human Services
Council of the District of Columbia

The Honorable Matthew Frumin, Chairman

1350 Pennsylvania Avenue NW, Room 123

May 4, 2026, 9:00 a.m.



Testimony of
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Glen Lee
Chief Financial Officer
Government of the District of Columbia

Good morning, Chairman Frumin, committee members and staff of the Committee on Human Services. I am Thomas R. Burnside, the Executive Director of the Office of Lottery and Gaming (OLG). Thank you for this opportunity to testify today regarding OLG's proposed Fiscal Year (FY) 2027 budget. Joining me today are my colleagues Eugene Vlasenko, Chief Operating Officer; Ridgley Bennett, Chief Counsel; Peter Alvarado, Director of Regulation and Oversight; and Alex Akporji, Agency Fiscal Officer.

The mission of OLG is to responsibly maximize revenue generation for the District of Columbia through the sale of innovative lottery and sports wagering products, while providing gaming regulation and oversight that upholds the highest standards of integrity and public trust. Strategic revenue planning, coupled with disciplined expenditure management, enables OLG to provide consistent annual transfers to the District's General Fund, thereby supporting critical public services, including education, parks and recreation, public safety, housing, and services for seniors and children.

OLG's Fiscal Year 2027 proposed budget includes an operating budget of \$222,201,452 and 96 full-time equivalents (FTEs). This reflects a decrease of \$49,998,245, or 18.4 percent, from the Fiscal Year 2026 approved budget of \$272,199,697. This variance is primarily a reflection of the continued impact of the Sports Wagering Amendment Act of 2024, which modified the District's sports wagering operation. These adjustments are based on underlying projections, operational needs, and programmatic priorities. They represent a further budget calibration rather than a fundamental shift, ensuring that expectations remain realistic.

The DC Lottery continues to demonstrate resilience and adaptability in a rapidly changing marketplace. We expect to see growth in several key product categories, led by strong performance in iLottery, monitor games, and fast play games. These offerings align with shifting consumer preferences toward digital engagement and instant win experiences, and are helping to expand our reach to new audiences while modernizing the Lottery's portfolio. We also expect the mobile Sports Wagering market to continue to mature and deliver additional tax revenue.

Our traditional products also continue to provide steady, reliable contributions. Scratch-off ticket sales remain one of our most consistent revenue generators. Likewise, national jackpot games such as Powerball, continue to perform well, particularly during periods of elevated jackpots that draw widespread public interest and boost overall sales.

Despite these areas of growth, we face several important challenges. The competitive landscape for entertainment and gaming is evolving rapidly, and OLG must continue adapting to meet player expectations. Broader economic pressures—such as inflation in consumer goods and shifts in discretionary spending—also influence purchasing behavior across our product lines. Additionally, our legacy numbers games continue to decline, driven largely by an aging player base, long-term changes in consumer preferences, and a reduction in daily foot traffic at retail.

In FY 2027, we remain focused on advancing responsible growth, strengthening our product mix, and modernizing our operations to ensure the Lottery continues delivering strong, sustainable revenue to the District of Columbia.

On April 21, OLG identified a configuration issue affecting our DC 3, DC 4, and DC 5 games. After conducting an immediate internal review, we requested a full assessment by our third-party vendor, Smart Play International and the third-party independent testing lab, Gaming Labs International (GLI), that certified the machines for service. Their analysis confirmed that from March 31 to April 21 of this year, a coding error prevented duplicate numbers—such as 111, 7765, or 89843—from being generated in our mid-day and evening drawings. It is important to note that the 11:30 p.m. night draw was not affected.

We acted swiftly once the issue was detected. The underlying error has been identified and corrected, and we are confident in the integrity of our draw system moving forward. We are committed to transparency, accountability, and ensuring that our players are made whole.

To that end, OLG is providing coupons, free plays, and additional chances to win for players who were impacted. This reflects our commitment to fairness for our players and to maintaining public trust.

We appreciate the patience of our players and stakeholders and remain focused on upholding the highest standards of operational integrity.

Thank you for your time and consideration. I am happy to provide additional information as needed and welcome any questions you may have at this time.