



# VERIFIED!

Four lotteries recently completed the NASPL/NCPG program for responsible gambling verification and seven more are underway.

By Patricia McQueen

Last year, NASPL joined together with the National Council on Problem Gambling (NCPG) to create a new responsible gambling verification program for North American lotteries. Four lotteries were selected to participate in the pilot program, and all four – Kentucky, North Carolina, Oregon and Virginia – received their completed verification in early August at the Professional Development Seminar in Pittsburgh.

“I am just so unbelievably excited about the progress that NASPL has made in terms of making responsible gambling something that the states are really paying attention to,” said Alice Garland, chair of the Association’s Responsible Gambling Committee and Executive Director of the North Carolina Education Lottery. “It was a really big effort to get this verification program off the ground, and now we’ve had a successful pilot.”

“This is such an unprecedented project,” added NCPG Executive Director Keith Whyte. “It’s the first time that NCPG has joined with a national industry group to create a responsible gambling verification program.” He cited two reasons why that is so important: it’s an ideal model of groups working together in partnership, and at the very least it represents an evolution in responsible gambling.

He explained that not only are the participating lotteries working closely together, they are working more closely than ever with their local responsible gambling advocacy organizations. “It is really fostering partnerships between lotteries and these organizations. That’s going to have a meaningful, lasting impact going forward.”

NASPL and some other gaming industry groups have had responsible gambling codes or best practices, but this adds a new dimension by utilizing independent assessors

to review the programs. “That really makes it much more useful and credible,” said Whyte. “I couldn’t be prouder, more pleased, or more grateful. It was a visionary step that a lot of lottery leaders took, and I think it’s really going to benefit them.”

The new program has three levels of verification. The first level (“Planning”) is for lotteries that have not yet developed a robust responsible gambling program – by submitting an application at this level, lotteries will have experts in the field critique their plans and help them move towards the next level. The second level (“Implementation”) assesses current programs and results for lotteries with more advanced responsible gambling programs. The third level (“Sustaining”) will review Implementation verification every three years to ensure ongoing performance.

An independent assessment panel, under the guidance of the NCPG, reviews



Marlene Warner, Alice Garland and May Scheve Reardon with representatives from the four lotteries (Kentucky, North Carolina, Oregon and Virginia).

all applications for verification. Three of the four assessors reviewing each application are chosen by the NCPG; the remaining assessor is chosen by NASPL. The eight areas of assessment include research, employee training, retailer training, player education, new/existing product oversight, budget, advertising and engagement/awareness.

## The pilot program

The first four lotteries to go through verification were chosen from a large group expressing interest. The number was kept to four in order to ensure the procedures and infrastructure were in place for the program to be successful, and to learn from the experience before opening it up to more lotteries.

Of the four, two (Kentucky and North Carolina) had previously been certified in the World Lottery Association's responsible gaming framework – an established rigorous program with four levels. That was a strategic decision to help further define the NASPL program, which by design is quite different from the WLA framework. With Kentucky and North Carolina having that experience, they could offer additional insight about the process and the relative importance of its key elements. Both were verified at the Implementation level in the NASPL program.

"We already had certification at the WLA levels 2 and 3," noted Garland, "so I think going through the NASPL program was a little easier for us because we had a lot of material that we could pull from." She noted, however, there are some different

areas of focus. For example, one thing she is very excited about is the mentoring process. Each lottery that goes through the NASPL verification program is required to serve as a mentor for future participating lotteries. "As an industry, we're stronger if we're all together on responsible gambling, so we all need to help each other."

"The system is designed to provide the applicants with extensive feedback, and to help applicants in the next round," said Whyte. "Now that we have some examples from the pilot program, the next participants will be able to look at the previous submissions to help build and improve their programs prior to even submitting their complete applications."

The Kentucky Lottery was also eager to participate in the pilot even though it was already WLA certified. "Any time you can take an opportunity to take a step back and look at your responsible gambling program, to make sure you are adhering to what would be considered best practices, that's always a good exercise," said Chip Polston, Senior Vice President of Communications, Public Relations and Social Responsibility. Going through the inaugural NASPL verification program "gave us the ability here in Kentucky to aggregate everything we are doing, see what we had in place now and what steps we should be taking in the future."

Another reason for wanting to participate was that Kentucky was instrumental in getting the program up and running. "We thought it would be really helpful for the U.S. lottery industry in particular so we wanted to test drive it to see what it was like to go through it."

## Implementation level in Oregon

The Oregon Lottery was also verified at the Implementation level upon completion of the pilot, but unlike Kentucky and North Carolina, it has not yet gone through the WLA certification program (Oregon is in the process of applying for WLA membership). However, it has a solid history of responsible gambling programs, so much so that its Responsible Gambling Code of Practice, adopted in 2014, was transformed by the legislature into a bill that became law. That means that no matter the preferences of future lottery directors and staff, responsible gambling will always remain a priority for the lottery.

Oregon had three key reasons for wanting to participate in the pilot program.

"First, our responsible gambling program is really very well integrated into all of the functional departments, so participating in the pilot program gave us all an opportunity to get together, reflect on the cumulative effect of all our work, and document our achievements," said Director of Corporate Social Responsibility Stacy Shaw. "It also gave us a roadmap for continuous improvements, giving us the opportunity to think about what's next. It was very gratifying."

The second reason was to make sure that lotteries with video gaming or even casinos have a seat at the table and contribute to responsible gambling best practices focused on those products. "We wanted to make sure that, as NASPL and NCPG were building the verification program, they considered lotteries with a broad product portfolio

like we have. We wanted to help establish benchmarks for video gaming and casinos. I think the fact that we were verified is great because we deal with things that other lotteries don't."

The final aspect of the program that appealed to Oregon was the commitment to be a mentor lottery in future rounds. "That is appealing to us in many ways," said Shaw, noting that Oregon has been assigned to mentor the Missouri Lottery in the next wave. "Missouri has a very visible commitment to responsible gambling, and I think they are doing a lot of great work. So in addition to helping them, we'll be able to learn things. That's a really good outcome for everybody and we are excited about that."

Being verified at the Implementation level means a lottery has demonstrated results in its responsible gambling efforts. "We are involved in this day in and day out, and this gave us the opportunity to reflect on and learn what is meaningful, what isn't and what is next. We don't want to do things just because it looks good. Having that independent assessment of our work is the real value of the verification program. I encourage others to do it as well."

## Planning verification in Virginia

The Virginia Lottery has always had a commitment to responsible gambling, but had never really formalized a complete program. "We knew we had a lot of improvement we could make in some of the more substantial areas, mainly retailer training, employee training and research," explained Director of Communications Jill Vaughan, who was instrumental in putting together Virginia's application along with Communications Specialist John Hagerty.

"One thing that this program does is that it forces you to focus," added Hagerty. "We found that there were things we were already doing, but this process helps you put them all under one roof and bring them all together. We found that we're doing more, and we can do even more, than perhaps we thought."

Aside from simply wanting to be one of the first to complete the program – Virginia always likes to be first – another key reason was the planned expansion of its online subscription program to include same-day sales (expected to launch in mid-September). "The timing was right for us as we work to explore new channels, expand our product offerings and the way in which we deliver our products," said Executive Director Paula Otto. "We are absolutely committed to doing that the right way, the responsible way. So

it has been very good for us to go through the process, to learn a lot and to make a commitment to a higher level of responsible gambling activities."

Vaughan and Hagerty noted that while it took a bit of internal public relations effort to get buy-in from all departments, and perhaps more time than expected to bring everyone to the table, it was actually easier than they thought it would be.

"It was gratifying to discover that people in this organization, who might not have been involved in responsible gambling in the past, are actually going to be good partners – they are more engaged in that area than we thought they were," said Hagerty.

He encourages other lotteries to talk to everyone in their organizations. "You might be surprised at what you hear. You might

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**Jill Vaughan**  
*Virginia Lottery*

be surprised that you have people who are passionate about responsible gambling who hadn't even been asked about it before, and who would love to be a part of the process."

For Virginia, verified at the Planning level, the real work now begins. "It got this organization to talk about responsible gambling like we never have done before," said Vaughan. "This is not just on paper – now we have to implement it in real life." The next steps will be to get all the stakeholders at the table, lay out an official plan and timeline and delegate responsibilities – a whole new road map for the Lottery.

## Moving forward

Seven lotteries have been selected to participate in the next round of the verification program – Connecticut, Maryland, Michigan, Minnesota, Missouri, Rhode Island and Tennessee – with applications due October 11. They have advantages the first four lotteries didn't – minor tweaks in the process that came out of the pilot and dedicated mentors assigned to them from among those first four.

"We learned some really good lessons," said Garland. The Committee's steering group – including Garland, Whyte and Polston – have had debriefing sessions based on what was learned. "We got some great feedback from the participating states, things that we could do differently," added Polston. "We think we tightened up the program even more for the benefit of the next groups moving forward."

For example, a few technical details have been improved and streamlined, from the application form itself to some of the online elements. Some areas where there was redundancy have been addressed. And the scoring system was altered to provide more detail, with a scale from one to four instead of a pass/fail setup. That will help capture the nuances of the strength of a lottery's program.

The availability of dedicated mentors for future applicants is perhaps the most exciting part of the program. While acknowledging that help was always available – especially from Polston and Whyte – Vaughan wished Virginia "had someone that would be our go-to person, to hold our hands as we were completing the questions. We really didn't know if we were preparing a professional, perfectionist plan, or something that just met minimum requirements." She noted it is very helpful for the seven new participating lotteries that they will be able to review successful applications from the pilot.

It's no wonder that lotteries have been lining up to participate going forward. "I think that a relationship with the NCPG and all the work that the NASPL Responsible Gambling Committee did to create this program is work well done," said Otto. "It makes all of us, whether we go through the verification process or not, more aware of responsible gambling. There are so many things that lotteries can do to make certain we are being responsible in the way that we produce and market our products. That's quite simply the right thing to do." ■