



June 19, 2025

RE: Comment on R25-93, Proposed Rulemaking from the Arizona Lottery Commission Regarding the Regulation of Lottery Courier Services

Lotto.com commends the commitment to accessibility, security and consumer protection that the Arizona Lottery has demonstrated through the proposal of lottery courier rules. Lotto.com strongly supports the adoption of these proposed rules.

LOTTO.COM BACKGROUND

As a company, Lotto.com has deep roots within the lottery industry. The company's senior leadership have previously worked with and for Scientific Games, Camelot UK, IGT, the Illinois Lottery, and the Colorado Lottery. I previously served as Vice President and General Counsel of the Iowa Lottery, where my work won an international award for gambling compliance. At Lotto.com, we understand the unique challenges of the lottery industry and strive to be an industry leader.

At Lotto.com, we work hard at being a reliable and responsible partner in the delivery of Arizona Lottery tickets. After launching our services in Arizona over a year ago, Lotto.com has delivered hundreds of thousands of official state lottery tickets in the state of Arizona. We do so through a secure system that has been examined and certified by industry experts, such as the New Jersey Division of Gaming Enforcement Laboratories and GLI/Bulletproof.

COURIER INDUSTRY OVERVIEW

Across the country, couriers provide customers with secure access to official state lottery tickets in seventeen different U.S. lottery jurisdictions. Put another way, one in every three lottery states in this country allow couriers to assist in the ticket delivery process.

Courier customers are digital natives who are typically younger and more affluent than the average lottery customer. Many had never played the lottery before ordering tickets through a courier service. By reaching new customers where they are, courier companies can increase lottery sales by five to ten percent on an annual basis. Further, sales data from existing jurisdictions proves that couriers deliver these results without harming existing lottery retailer sales.

Notably, lottery couriers achieve these results while maintaining secure operations and supporting responsible play. Responsible couriers like Lotto.com undergo comprehensive

regular audits to ensure the integrity of ticket delivery operations. Responsible couriers in Arizona all have achieved ICAP certification. Administered by the National Council on Problem Gambling, iCAP accredited operators strictly adhere to high standards of integrity and responsible gaming practices to help protect against the harm of problem gambling. System daily, weekly, and monthly limits, as well as the ability for courier customers to reduce those limits or self-exclude from lottery orders entirely, make certain that courier customers play the lottery with their heads and not above it.

PROPOSED ARIZONA RULES

We have received the proposed rules as amended on June 18, 2025, and believe they provide an outstanding framework for ensuring both the integrity of the Arizona Lottery and providing appropriate protection for consumers in Arizona. Among other provisions, the proposed rules provide for:

- Background and financial checks on owners and leadership of courier companies to ensure that only viable and responsible corporations can provide courier services in Arizona.
- Controls to ensure that only those physically located within the state can order an Arizona Lottery ticket.
- Safeguards ensuring that only adults can place orders for Arizona Lottery tickets.
- Guidelines on ticket access, storage and retention to ensure that the public maintains its confidence in the delivery process and the Lottery.

Further, the Arizona Lottery wisely maintains its discretion to impose additional operational requirements on registered lottery couriers and the licensed retailers that work with them. This includes a requirement that couriers enter into contractual obligations with the Lottery.

If needed, the Arizona Lottery has also ensured that it has the ability to discontinue courier operations entirely. These strong enforcement provisions provide an appropriate balance between enhancing customer access to lottery tickets while maintaining vital state control over that delivery process.

Through careful crafting, the Arizona Lottery has proposed one of the strongest frameworks for courier regulations in the country. These rules will generate positive outcomes for the Arizona Lottery and the consumers that the Lottery serves.

SUGGESTIONS

Lotto.com has a modest suggestion for the Arizona Lottery's proposed rule:

- The Arizona Lottery has a longstanding commitment to responsible play. Through its rules, operations, and public statements, Arizona Lottery officials seek to educate the public on the importance of playing with moderation.

Couriers can and should help contribute to the Arizona Lottery's vital efforts in this regard. The Colorado Lottery's recent rulemaking governing courier operations provides a useful guide on how to accomplish this goal.

Colorado rules require couriers both to maintain appropriate responsible gaming tools and to adhere to Lottery guidelines on the topic. We would respectfully request that a version of Colorado rule 2.13(a)(8)(xii-xiii), which are pasted for reference below, get incorporated into the final version of the Arizona rules:

- "Allows Courier customers to place daily, weekly and monthly limits on their spending and allow the player to self-exclude themselves from ordering tickets through the Courier."
- "Comply with any responsible gaming controls adopted by the Lottery."

CONCLUSION

The Arizona Lottery's proposed rules on lottery couriers are tough but fair. Lotto.com offers its full support for the rules, and stands ready to continue to serve Arizona customers for years to come.

Sincerely,

Robert K. Porter

Robert Porter, Chief Legal Officer