

COMMISSION AGENDA ITEM

Item 9(h) – Interagency Agreement with the California Department of Public Health



Date: June 16, 2026

To: California State Lottery Commission

From: Harjinder K. Shergill Chima, Director - *HKC*

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Subject: **Item 9(h) – Interagency Agreement with the California Department of Public Health**

ISSUE

The California State Lottery (Lottery) seeks Commission approval to enter into a three-year Interagency Agreement with the California Department of Public Health (CDPH) for maintenance of the California Problem Gambling Helpline provided by CDPH's Office of Problem Gambling (OPG). The total agreement amount is \$540,000 with a term date of July 1, 2026, through June 30, 2029.

BACKGROUND

The State's First Problem Gambling Helpline

The Lottery has remained steadfast in its commitment to responsible gaming since its inception. Even though it is not mandated by state law, the Lottery initiated the state's first problem gambling helpline in 1998 to support its players who may have experienced gaming-related issues.

California Problem Gambling Helpline

The OPG was established in 2003 under Section 4369 of the Welfare and Institutions Code and is charged with developing and providing quality statewide prevention and treatment programs to address gambling disorders. The OPG is currently administered under CDPH.

In 2007, the Senate Governmental Organization Committee convened to address the issue of problem gambling in the state. The hearing concluded that the public would be better served by having a singular message delivered via a centralized helpline administered by the state's problem gambling experts, rather than the state's gaming experts. As a result, the OPG's California Problem Gambling Helpline (California Helpline), 1-800-GAMBLER, was established.

On June 25, 2007, the Lottery Commission approved transitioning the Lottery's problem gambling helpline to OPG to unify the state's responsible gaming efforts. Since 2007, the Lottery has maintained a strong, collaborative partnership with OPG, through interagency agreements, and continues to promote the California Helpline on its games, advertising, and communication channels.

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Currently, OPG contracts with the California Council on Problem Gambling (CalPG) for helpline services and outreach. TELUS Health (US) Ltd. is a subcontractor for CalPG. TELUS Health (US) Ltd. provides call center services for the California Helpline. The California Helpline is staffed 24 hours a day, 7 days a week, and 365 days a year with counselors who possess requisite certifications and expertise in the area of gambling disorders. The goal of the California Helpline is to provide callers with brief intervention, crisis assessment, and referral to treatment services.

In June 2023, the Lottery Commission approved the current three-year Interagency Agreement with CDPH for a contract amount of \$510,000. This amount represented an annual increase of \$30,920 to account for inflation to fund approximately 50 percent of the annual cost of the Helpline. Prior to this increase, the funding for this agreement had not changed since FY 2017-18.

DISCUSSION

The Lottery's responsible gaming efforts have continued at the behest of various directors and the Lottery Commission. The Lottery remains committed to reducing potential effects of its products on individuals with, or at risk for, gambling disorders. Accordingly, the Lottery maintains a comprehensive responsible gaming program that has been awarded the highest certification by the World Lottery Association (WLA). The Lottery's WLA certification has emerged as a benchmark for lottery jurisdictions worldwide in the area of responsible gaming. Promotion of the California Helpline is central to the Lottery's responsible gaming program. The Lottery utilizes its various communications channels to promote 1-800-GAMBLER and other responsible gaming messages on its games, playslips, marketing campaigns, social media channels, and at Lottery retail locations.

The Lottery's current Interagency Agreement with CDPH will expire on June 30, 2026. Entering a new Interagency Agreement with CDPH for three years will continue uninterrupted services through June 30, 2029. Under this proposal, the Lottery would provide funding to support maintenance of the California Helpline. In return, OPG would continue to provide the Lottery with customized reports that contains data specific to the California Helpline callers and Lottery-related calls, chats, and text trends. The Lottery would be able to utilize this information in developing its paid media plans for its responsible gaming campaigns, *Problem Gambling Awareness Month* and *Gift Responsibly*. OPG would also provide their Responsible Gambling Guidelines brochures (and/or appropriate literature) for distribution to Lottery retailers and California Helpline clients. Currently, these brochures can be found at Lottery retail locations statewide. In addition, OPG would allow use of their educational material about problem gambling and promotional material about the California Helpline and responsible gaming campaigns, as needed.

The Interagency Agreement would also provide the Lottery continued membership to the OPG Advisory Board. The Advisory Board is comprised of state regulatory agencies, representatives from the gambling industry, educators, researchers, and advocates who engage and collaborate on responsible gaming and problem gambling prevention and treatment. As members of the OPG Advisory Board, Lottery staff can remain informed about gambling disorders, treatment services,

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responsible gaming related research, and the coordination of statewide awareness campaigns to enhance the Lottery’s own responsible gaming program.

The current proposal includes an increase of \$30,000 to account for rising costs for the California Helpline, and inflation since 2023.

The Lottery’s formal competitive procedures do not apply to this procurement, pursuant to the exception set forth in Lottery Regulations Section 8.1.2.B. as follows:

“The goods or services will be obtained through (1) an interagency or intergovernmental agreement with a federal, state, local, or other government entity, or (2) an agreement with an auxiliary organization established pursuant to the California Education Code.”

RECOMMENDATION

The Lottery recommends the Commission approve a three-year Interagency Agreement with CDPH for maintenance of the California Problem Gambling Helpline provided by the Office of Problem Gambling. The total contract amount is \$540,000 with a term date of July 1, 2026, through June 30, 2029.