

COMMISSION AGENDA ITEM

Item 8(a) – Interagency Agreement with the Department of Rehabilitation



Date: March 27, 2025

To: California State Lottery Commission

From: Harjinder K. Shergill Chima *HKC*
Director

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Subject: **Item 8(a) – Interagency Agreement with the Department of Rehabilitation**

ISSUE

The California State Lottery (Lottery) is requesting approval to enter into a five-year Interagency Agreement with the Department of Rehabilitation (DOR) for accessibility inspection and consulting services.

BACKGROUND

The Lottery's Retailer Access Program (RAP) ensures that individuals with disabilities have access to Lottery products. All Lottery retailers must comply with the RAP as part of the terms and conditions of their retail contract and Lottery Regulation requirements. The Lottery conducts random annual inspections of five percent of all active Lottery retailers to ensure compliance with RAP.

The Lottery has had long-standing Interagency Agreement's with DOR for accessibility inspection and consulting services since 2013. The current Interagency Agreement expires on June 30, 2025.

DOR is dependable, providing quality inspections and excellent customer service to the Lottery and its retailers for almost thirteen years. Being the primary state agency with expertise on accessibility compliance and experience interpreting RAP requirements, DOR offers thorough analysis and recommendations on RAP and, upon request, on accessibility compliance requests for other Lottery programs.

DISCUSSION

As the current Interagency Agreement with DOR expires on June 30, 2025, entering a new Interagency Agreement with DOR for five years will continue uninterrupted services through June 30, 2030. The estimated cost over the next five years for DOR's services is based on projections considering the future growth in retailers, estimated annual civil service general salary allowance, travel and lodging, and pre and post inspection work. The projected five-year cost for RAP services is \$2,125,340.00, which breaks down to anticipated expenses of \$384,700 in year one, \$403,900 in year two, \$424,000 in year three, \$445,200 in year four, and \$467,540 in year five.

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RECOMMENDATION

The Lottery recommends that the California State Lottery Commission approve a five-year Interagency Agreement with DOR for accessibility inspection and consulting services with an option to extend for an additional three-year period. The total contract amount is \$2,125,340.00 with a term date of July 1, 2025, through June 30, 2030.