Change Agents and Technological Innovation—Meet Security and Integrity

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The business of retailing and the distribution of lottery products are in the midst of an effort to enable lottery modernization. Technological innovation is opening up new ways to distribute products, like in-lane sales at check-out and cashless transactions. This is also becoming the standard required by consumers to meet expectations for a convenient and simple shopping experience. Multistate retailers expect lotteries to standardize process and procedures, streamline communications through the implementation of APIs, and conform to the systematic processes that retailers have in place with all other consumer product goods companies. Everyone knows how important it is for Lottery to smooth a path for technological innovation and evolve to meet the needs of its channel partners and the consumer. Modernization and technological progress are 'mission-critical' for lotteries to ensure a sustainable future.

There is another mission-critical cornerstone to the lottery business that trumps the need to modernize. That is the need to comply with the highest standards of security and integrity. Modernization, digitization of retail, the implementation of APIs, and the provision of technical security are not mutually exclusive objectives. The responsibility of the MUSL Security and Integrity Committee is to ensure that changes to process and technical standards maintain the requisite standards of security and integrity.

APIs have been implemented across multiple industries, including ones like financial services, which require the highest standards of security. We know that these security standards have been vetted and that the technology has proven, for the most part, to be effective in other industry sectors. And we know there are many similarities to the way that a technology like APIs operate across all industries. It is beneficial to have the blueprint from other industries to see that the highest security standards are being met across multiple industries.

Although there are many similarities between the ways that a technology like APIs and cashless are implemented across multiple industries, it does not mean that we are therefore good to go. While much of what would be applied for lotteries has already been vetted in other industries, the fact remains that despite similarities, differences do remain. It is the job of the Security and Integrity Committee to make sure that technological changes meet all, not some and not most, but all the standards applicable to the flawless execution of Lottery.

Currently, there is an effort to amend MUSL Rule 2 and security standards, which describe security requirements for lottery tickets and systems. Much of the current language was developed prior to the introduction of current technological capabilities. The proposed changes would enable Lottery to evolve with its channel partners, open up new kinds of trade-styles, and meet the needs of the modern player. The MUSL S & I Committee appreciates the need for modernization and is working hard to vet these new methods of business conduct to ensure they uphold the requisite security standards. Further, we appreciate that there are no guarantees in life, or in our ability to eliminate uncertainty about the future. We can, however, perform all manner of due diligence available to us to minimize the potential for compromise or unanticipated outcomes. That is what the MUSL Security and Integrity Committee is tasked with doing, and that is what we will do.

The proposed amendments to MUSL Rules are not a one-time deal. As technology continues to advance, the need to continue reviewing MUSL Rules on an on-going basis and proposing amendments will always exist.

We all look forward to modernizing Lottery for a new era of successful growth along with the preservation of Lottery's most valuable asset—the consumer trust in the brand and its reputation for security and integrity. ■