

# HR Insights

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## Gambling in the Workplace

When you think of gambling, you probably picture a roulette wheel or a poker table—games that are typically not allowed in the workplace. But gambling doesn't always come in such an obvious package. You might not permit a poker table in the break room, but what about allowing fantasy football leagues or collecting money for NCAA brackets? Seemingly harmless activities like these can leave you vulnerable to serious consequences.

### Workplace Gambling Legal Concerns

Proponents of activities like fantasy football will tell you that it's a method of building camaraderie among coworkers. Unfortunately, office leagues that require an entry fee may violate federal and state gambling laws. Some states make an exemption for "social gambling," but often place limits on how much money can be awarded. If you have employees playing in offices in different states, this could also pose a legal risk.

In the past, some states have taken action against fantasy sports companies like DraftKings and FanDuel, so it is important to keep an eye on future legislative changes and respond accordingly. At the very least, you should be familiar with your federal and state laws.

### Other Costs of Workplace Gambling

Workplace gambling can hurt your business in other ways beyond legal troubles. If not all employees are included in an activity, like March Madness bracketing, they may feel left out. Not only does this create an unfavorable environment for the employee, but it also can leave you open to potential discrimination or harassment claims.

### Employer Action Steps

It's unrealistic that you can get all employees to stop all forms of gambling, especially if it's been going on for a while. And, if it's a morale booster for employees, you may not even *want* to stop it.

However, you should still have a workplace policy in place so employees know how to conduct themselves. Make it clear what employees can and cannot do in the workplace when it comes to gambling. This includes how much money may be involved (as defined by applicable state and federal laws) and what actions may be taken against violators.

You also do not need to allow gambling in the workplace even if it's allowed by the state. You are able to set your own workplace standards, and that includes not permitting certain activities. If you are concerned about gambling happening despite it being forbidden, consider creating an anonymous reporting procedure so employees can alert you.

Whatever you decide, make sure your policy is enforced consistently throughout the organization. Speak with TPG Insurance Services for more guidance on this and other workplace policies.

