



DSLBD and OLG Sports Wagering 5 Year Capacity Building Plan as of Wednesday, October 30, 2019

BACKGROUND

Act 22-594, the Sports Wagering Lottery Amendment Act of 2018, as amended by Act 23-2, was signed into law on January 23, 2019, and became D.C. Law 22-312 on May 3, 2019. The law legalized sports wagering in the District of Columbia and designated the Office of Lottery and Gaming (OLG or “the Office”) to regulate privately-operated sports wagering throughout the District, licensing and monitoring these operations and their gaming-related suppliers for compliance with applicable District and federal laws. The OLG adopted rules and regulations governing private-operated sports wagering on August 30, 2019.

In accordance to D.C. Law 22-312. Sec. 316. Sports Wagering Small Business Development Program (d)(1), within 180 days of the effective date of this title, the Department of Small and Local Business Development (DSLBD), in consultation with the Office, shall establish a program, with a duration of not less than five (5) years, to train Small Business Enterprises (SBEs) and SBE-eligible firms to develop the capacity to become sports wagering Operators and Management Service Providers.

PLAN OVERVIEW

DSLBD and OLG will develop a plan that will meet the requirements outlined above, by providing training, networking opportunities and participation in various events and programs to inform and educate SBE and SBE-eligible firms on how to enter the District’s emerging sports wagering industry. As the District’s sports wagering sector takes shape, we will refine the plan to best respond to the evolving landscape and ensure efforts are most effective for capacity building.

In this initial plan, we will focus on the following three time periods: **Pre-Application, Year One (FY20) and Year Two (FY21)**. For the next five years, at a minimum, we will develop and publish an annual capacity plan prior to the start of each new fiscal year. These plans will be available on DSLBD’s and OLG’s websites.

Important note: Prior to Class A Operators initial five-year license term ending (in year four), DSLBD and OLG will offer additional trainings, business development seminars and matchmaking sessions.

SPORTS WAGERING INDUSTRY INFORMATIONAL AND ENGAGEMENT SESSIONS/TRAINING

DSLBD, in coordination with the OLG, may offer the following instructor-led workshops focused on relevant industry-related topics:

- How to become a CBE/SBE involved in DC’s Sports Betting Program
- How to Open a Class B Sports Wagering Facility in the District
- A Business Overview of Sports Wagering in D.C. and the U.S.
- Responsible Gaming in D.C.

- Overview of DC's Gaming Laws and Regulations
- The Past, Present and Future of Gaming Regulations
- Types of Sports Wagers and Prohibited Wagers
- Sports Wagering Risk Management
- Sports Betting Integrity and Wagering
- Auditing Sports Books

These sessions may take place a minimum of twice a year in one-day or multi-day in-person or online sessions. The range of topics will expand as the business of sports wagering expands in D.C.

MENTOR-PROTEGE PROGRAM

OLG, in consultation with DSLBD, will discuss development of a Mentor Protégé Program in Year One.

PRE-APPLICATION

FY19: October 1, 2018 – September 30, 2019

The Office of Lottery and Gaming's licensing process was under development in FY2019; therefore, no Operator or MSP licenses were issued during this timeframe.

However, ahead of the OLG's application window opening, OLG and DSLBD participated in the following:

PRE-APPLICATION TRAINING SESSION

DC Sports Betting Pre-Application Conference

Thursday, April 25, 2019 3:00 PM-6:00 PM

Old Council Chambers - 441 4th Street, NW, WDC 20001

The purpose of the event was to present attendees the 'Sports Wagering Lottery Amendment Act of 2018', CBE requirements and potential opportunities for SBEs. Three of four Class A locations were present and were able to dialogue and engage with interested SBEs.

MATCHMAKING

DSLBD's District Connect 2019

Wednesday, May 25, 2019 1:30 PM – 3:30 PM

Gallaudet University's Kellogg Conference Center, 800 Florida Ave NE, Washington, DC 20002

Matchmaking sessions with SBEs and Management Service Provider, FanDuel.

SPORTS WAGERING INDUSTRY OVERVIEW AND ENGAGEMENT SESSION

DC Chamber of Commerce's 2019 Small Business Awards & Economic Development Summit

Wednesday, May 10, 2019 8:00 AM – 2:00 PM



Walter E. Washington Convention Center, 801 Mount Vernon Place, NW, Washington, DC 20001

Panel Title: The Business of Sports Betting in the Nation's Capital

YEAR ONE

FY20: October 2019- September 2020

SPORTS WAGERING INDUSTRY INFORMATION AND ENGAGEMENT SESSIONS/TRAININGS

In conjunction with the Office of Lottery and Gaming, DSLBD will provide a minimum of two trainings for SBE and SBE-eligible firms to develop capacity to become sports wagering operators and management services providers.

Bi-Annual Training topics may include the following:

- How to become a CBE/SBE involved in DC's Sports Betting Program
- How to Open a Class B Sports Wagering Facility in the District
- How to Break into The Sports Betting Business
- A Business Overview of Sports Wagering in D.C. and the U.S.
- Responsible Gaming in D.C.
- Overview of DC's Gaming Laws and Regulations
- The Past, Present and Future of Gaming Regulations
- Types of Sports Wagers and Prohibited Wagers
- Sports Wagering Risk Management
- Sports Betting Integrity and Wagering
- Auditing Sports Books

These training programs may take place a minimum of twice a year in one-day or multi-day in-person or online sessions. Dates and Times for these TBD sessions will be posted on both DSLBD's and OLG's websites.

DC Chamber of Commerce's 2019 Small Business Awards & Economic Development Summit

Date: TBD

Place: TBD

DSLBD and OLG will host an information table and provide staff resources to connect with SBEs interested in entering the industry.

ANNUAL REVIEW BUSINESS SESSION

The OLG and DSLBD will host an annual review of DC's Sports Wagering Operations. This session will include a business and operational overview, details about SBE participation and review of the FY20 Annual Report. If held in person, match-making sessions will also be available at SBE and Operators/MSP requests.

Date: TBD

Time: TBD

YEAR TWO

FY21: October 2020- September 2021

SPORTS WAGERING INDUSTRY INFORMATION AND ENGAGEMENT SESSIONS/TRAININGS

In conjunction with the Office of Lottery and Gaming, DSLBD will provide a minimum of two trainings for SBE and SBE-eligible firms to develop capacity to become sports wagering operators and management services providers.

Based on our learning in year one, bi-annual training topics will expand, but may also continue to include the following:

- How to become a CBE/SBE involved in DC's Sports Betting Program
- How to Open a Class B Sports Wagering Facility in the District
- A Business Overview of Sports Wagering in D.C. After Year One
- Responsible Gaming in D.C.
- Overview of DC's Gaming Laws and Regulations
- The Past, Present and Future of Gaming Regulations
- Types of Sports Wagers and Prohibited Wagers
- Sports Wagering Risk Management
- Sports Betting Integrity and Wagering
- Auditing Sports Books

These training programs may take place a minimum of twice a year in one-day or multi-day in-person or online sessions. Dates and Times for these TBD sessions will be posted on both DSLBD's and OLG's websites.

DC Chamber of Commerce's 2020 Small Business Awards & Economic Development Summit

Date: TBD

Place: TBD

DSLBD and OLG will host an information table and provide staff resources to connect with SBEs interested in entering the industry.

ANNUAL REVIEW BUSINESS SESSION

The OLG and DSLBD will host an annual review of DC's Sports Wagering Operations. This session will include a business and operational overview, details about SBE participation and review of the FY21 Annual Report. If held in person, match-making sessions will also be available at SBE and Operators/MSP requests.

Date: TBD

Time: TBD

The Office of Lottery and Gaming’s Accountability Plan Based on the Statutory Requirements D.C. Law 22-312, Section 316. After each requirement, the OLG lists its response and commitment.

In accordance to D.C. Law 22-312, Sec. 316. Sports Wagering Small Business Development Program d (2), The **Office shall initiate recruitment activities to prepare SBEs to meet the qualifications needed to manage and operate sports wagering in the District, including:**

Developing strategies with DSLBD to facilitate increased SBE participation.

The Department of Small and Local Business Development (DSLBD) and The Office of Lottery and Gaming (OLG) have been meeting regularly since early calendar year 2019, to collaborate and strategize of the best ways to facilitate SBE participation in sports wagering. We have participated in the following events together, prior to the application window opening:

- DC Sports Betting Pre- Application Conference – held on April 25, 2019
- DC Chamber of Commerce’s 2019 Small Business Awards and Economic Development Summit- held on May 10, 2019
- DSLBD’s District Connect 2019- Held on May 25, 2019.

Both DSLBD and OLG are committed and focused on this very important initiative. And as the Sports wagering regulatory landscape expands in the District, we will continue to develop and provide meaningful programs and workshop to encourage participation and match-make where applicable.

Conducting bi-annual seminars for SBEs on how to do business with established sports wagering operators

DSLBD and OLG are coordinating bi- annual seminars that may include the following topics:

- How to become a CBE/SBE involved in DC’s Sports Betting Program
- How to Open a Class B Sports Wagering Facility in the District
- A Business Overview of Sports Wagering in the U.S.
- Responsible Gaming in D.C.
- DC’s Sports Wagering Operations Annual Review
- Overview of DC’s Gaming Laws and Regulations
- The Past, Present and Future of Gaming Regulations
- Types of Sports Wagers and Prohibited Wagers
- Sports Wagering Risk Management
- Sports Betting Integrity and Wagering
- Auditing Sports Books

* As the sports wagering landscape in DC changes over the years, we will continue to look for bi-annual seminar content that is both educational and meaningful for SBE capacity building.

Maintaining instructions on how to bid on upcoming and current contracting and procurement opportunities. All parties interested in learning more about small business and procurement opportunities within the District, should contact DSLBD directly at cbe.info@dc.gov. In addition, general information regarding how to a “Be a Better Bidder on contracts and procurements in the District,” can be accessed here (link to OCP presentation- see attached for now).

Sending new procurement opportunity alerts to SBEs, electronically

OLG will continue to work in coordination with DSLBD on sending new procurement opportunity alerts to SBE’s. We will also post/link to opportunities on OLG’s website. The OLG will also provide information in our FAQ section that will direct any business who in interested in learning more about becoming a CBE, SBE, SBE-eligible to cbe.info@dc.gov.

Participating in small business forums, workshops, and trainings sponsored by DSLBD

We have participated in the following events together in FY19, prior to the application window opening:

- DC Sports Betting Pre- Application Conference – held on April 25, 2019
- DC Chamber of Commerce’s 2019 Small Business Awards and Economic Development Summit- held on May 10, 2019
- DSLBD’s District Connect 2019- Held on May 25, 2019.

Both DSLBD and OLG are committed and focused on this very important initiative. As the Sports wagering regulatory landscape expands in DC, we will continue to develop and provide meaningful programs and workshop to encourage participation and match-make where applicable.

The 5-Year Capacity plan details our five-year plan as well as the commitment from DSLBD and OLG to continue to work together collaboratively to provide and develop SBE and SBE-eligible opportunities.

Posting the relevant or applicable National Institute of Government Purchasing codes to the Office's and DSLBD's website

The OLG will post information and the following purchasing codes within our Sports Betting Frequently Asked Questions (FAQ) Section: 936 and 9200.

Partnering with DSLBD to invite potential bidders to pre-bid conferences for sports wagering related contract or procurement.

The OLG and DSLBD hosted a Pre-Application Conference on April 25, 2019 from 3:00 p.m.-6 p.m. in Old Council Chambers at 441 4th Street, NW. Washington, DC 20001. We will host another conference before the OLG’s application window officially opens.

Developing an annual plan regarding the utilization of qualified SBEs.

DSLBD and The OLG have developed a five-year capacity plan that will provide meaningful training and matchmaking opportunities yearly, as well as participation in various events and programs throughout the District that provide opportunities to inform SBE on how to become Sports Wagering Operators and Management Service Providers.

In addition, The OLG shall submit an annual report to the Mayor and the Council on CBE participation on sports wagering, which shall include the following:

- Detailed information on recruitment initiatives and the creation of contract or licensing opportunities;
- The number of CBEs that apply for a Sports Wagering Operator or Management Services Provider license;
- The number of CBE applicants to receive a sports wagering operator or management services provider license;
- The reports, received pursuant to subsection (f)(2) of this section, from each Class A and Class B licensee on its CBE participation;
- The number of minority or women that applied for a sports wagering operator or management services provider license; and
- Analysis of the current state of individuals, group of individuals, or entities applying for an operator's or management services provider licenses.
- Each sports wagering licensee shall provide quarterly reports to DSLBD pursuant to section 2346(i) of the CBE act.
- Each Class A and Class B licensee shall provide to the Office a report to the Office on its CBE participation.

SPECIAL NOTE: The OLG will produce its first annual report at the end of FY20 for distribution to the Mayor and Council. Each annual report produced will be posted on our website, dclottery.com.