



## **SPORTS WAGERING FREQUENTLY ASKED QUESTIONS**

### ***What is a CBE Packet?***

- The CBE Packet consists of a CBE Capacity Building Plan, Operating Budget, Proof of CBE Certification, and an Auditor's report. Once the CBE Packet has been uploaded by the Office of Lottery and Gaming (OLG), the DC Department of Small and Local Business Development (DSLBD) will begin its review process.

### ***Who needs to submit a CBE Packet?***

- All Class A, Class B and Management Service Providers (MSP) applicants must submit a CBE Plan, which includes a CBE Packet, in order to be qualified for a Sports Wagering License.

### ***What is a CBE Plan?***

- A CBE Plan demonstrates how the applicant will meet the 35% CBE contracting or subcontracting requirement of the Applicant's Operating Budget.

### ***What is an Operating Budget?***

- An Operating Budget is a breakdown of all estimated revenues and expenses generated from the operations of a Sports Wagering Facility, or where wagering occurs in connection with a Sports Wagering License.

### ***I am interested in a Sports Wagering License, when do I contact DSLBD?***

- In evaluating a CBE Plan, DSLBD takes into consideration whether the Applicant has conducted sufficient market research in finding CBEs. Interested Applicants must first submit an application through OLG to begin the Sports Wagering Licensing process. It is recommended that an Applicant contact DSLBD prior to submitting the CBE Plan in order to allow ample time to find potential subcontractors.

### ***How long does DSLBD's review process take?***

- Once OLG has received your complete plan, a time stamp will be issued. DSLBD will have thirty (30) calendar days to make a determination.

***How will I know if my CBE Plan has been approved?***

- If your CBE Plan has been approved, DSLBD will send both the Applicant and OLG a copy of the approval letter (via email). The approved CBE Plan will be part of OLG's final review process in determining whether to issue a license.

***What if my CBE Plan is missing information? Do I have an opportunity to submit additional information?***

- Once DSLBD receives the notification from OLG that your CBE Plan has been received, DSLBD will contact you via email if there are any deficiencies. An Applicant has five (5) calendar days to resolve the deficiencies and submit the requested information.

***What if I miss the five (5) calendar day response deadline?***

- A CBE Plan is considered incomplete if the Applicant fails to submit the requested information. An incomplete plan will be prohibited from obtaining an approval letter for the CBE Packet.

***Is there an additional fee for submitting a CBE Plan?***

- No.

***Who determines whether a CBE Plan is satisfactory?***

- In the sports wagering application process, DSLBD is solely responsible for making the final determination whether a CBE Plan is satisfactory and meets the requirements pursuant to the law and DSLBD regulations.

***Who makes the final determination on an application?***

- Once a CBE Plan has been approved or denied, the determination will be sent back to OLG as part of their overall final determination. All appeals or questions concerning the final determination of a sports wagering application should be directed to OLG.

***Are there any exceptions to DSLBD's CBE requirement?***

- All Class A, Class B and MSP Applicants must submit a CBE Plan, Joint Venture, or a Waiver Request. District government contracts exceeding \$250,000 require a 35% subcontracting set-aside with certified small businesses. Waiver

Requests are submitted when a potential licensee finds that a portion of the 35% subcontracting requirement is unable to be performed by a CBE.

***What form is required to be filled out in order for a Waiver Request to be considered?***

- An Applicant must request a waiver through OLG.

***What documents are needed for DSLBD to consider a Waiver Request?***

- An Applicant must provide:
  1. A memo justifying why the 35% CBE goal cannot be met;
  2. A summary of market research conducted;
  3. Proof that the Applicant made efforts to work with DSLBD to find CBEs; and
  4. A written justification that consideration was given to find alternative methods of CBE inclusion.

***What if my Waiver Request is missing information? Do I have an opportunity to submit additional information?***

- Once DSLBD receives the notification from OLG that your Waiver Request has been received, DSLBD will contact you via email if there are any deficiencies. An Applicant has three (3) calendar days to resolve the deficiencies and submit the requested information.

***What if I miss the three (3) calendar day response deadline?***

- If the Applicant misses the deadline, then the incomplete Waiver Request is denied, and the Applicant will not receive an approval letter.

***What is a joint venture (JV)?***

- A joint venture is an association of two or more businesses temporarily formed to carry out a single business activity or project for profit in which they combine their property, capital, efforts, skill, and knowledge. The association is limited in scope and duration.

***What is the CBE ownership requirement for joint venture certification?***

- The CBE must be the majority owner of the JV.

***What other CBE category must the majority CBE owner maintain for the JV process?***

- The majority owner must maintain the Resident-Owned Business (ROB), Disadvantaged Business Enterprise (DBE), or Small Business Enterprise (SBE) certification category.

***Is there a separate application process for JVs?***

- Yes. To apply for certification of a joint venture, the following documents must be submitted for review to DSLBD, via courier or email at [cbe.info@dc.gov](mailto:cbe.info@dc.gov), to the attention of DSLBD's Certification Division:
  1. Executed JV Agreement between the companies;
  2. Executed Addendum to the JV Agreement (*Link Coming Soon*);
  3. Proof of a bank account in the name of the JV;
  4. Proof of the JV's corporate registration with the DC Department of Consumer and Regulatory Affairs (DCRA);
  5. The JV's Basic Business License issued by DCRA;
  6. The JV's Notice of Federal Tax Registration from the Internal Revenue Service;
  7. Documentation demonstrating that the JV has past performance in the sports wagering industry; and
  8. Any other agreements between the parties regarding the operations of the JV (*e.g.*, loan or business formation agreements).

***How long can the joint venture review process take?***

- The process can take up to forty-five (45) calendar days.

***If my JV is approved, what are the next steps?***

- Once a JV has been approved, the determination will be sent to the OLG. The JV will be required to submit the determination letter, issued by DSLBD, as part of the Sports Wagering License application.

***If my JV is denied, what are the next steps?***

- If denied, the agent or contact person on file for the JV will receive a notice of decision that will detail the reasons for the denial and rights to appeal with the Office of Administrative Hearings.