GOVERNMENT OF THE DISTRICT OF COLUMBIA

OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt Chief Financial Officer

JAN - 3 2019

The Honorable Phil Mendelson Chairman Council of the District of Columbia 1350 Pennsylvania Avenue, NW, Suite 504 Washington, DC 20004

Re: Sports Wagering Legislation

Dear Chairman Mendelson:

This letter transmits my request to the Council to enact the proposed Sports Wagering Procurement Practices Reform Exemption Emergency Act of 2019, and corresponding temporary act. The legislation would exempt the Office of Lottery and Gaming's (DC Lottery) initial procurement and contract used in connection with the Sports Wagering Lottery Amendment Act of 2018 and the Sports Wagering Lottery Amendment Emergency Act of 2018 from chapter 3A of title 2. The proposed emergency and temporary bills, the emergency declaration resolution, fiscal impact statement, and a legal sufficiency certification are enclosed.

This legislation would make it possible for the DC Lottery to obtain the technology platforms, lottery gaming systems, and related services necessary to launch sports betting in fiscal year 2019. An expeditious timeframe for execution is important as there are significant financial advantages to the District launching sports betting this fiscal year and being first in this highly-competitive regional gaming market to offer this newly-available category of gaming.

While the requested procurement of a new contract would be exempt from competition, the contract which would be negotiated would remain subject to the requirement that the contract be approved by Council and that the contract meet or exceed CBE requirements.

I am available to discuss any questions you may have regarding this legislation at 727-2476.

Jeffrey S. DeWitt

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Chairman Phil Mendelson at the request of the Chief Financial Officer A BILL IN THE COUNCIL OF THE DISTRICT OF COLUMBIA To exempt the initial procurement used in connection with the Sports Wagering Lottery Amendment Act of 2018 and the Sports Wagering Lottery Amendment Emergency Act of 2018 from chapter 3A of title 2. BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Sports Wagering Procurement Practices Reform Exemption Temporary Act of 2019". Sec. 2. The procurement for the initial sports betting, lottery gaming systems and related services contract used in connection with the Sports Wagering Lottery Amendment Act of 2018, as approved December 18, 2018 (D.C. Bill 22-944), and the Sports Wagering Lottery Amendment Emergency Act of 2018, as approved December 18, 2018 (D.C. Bill 22-1071) is exempt from chapter 3A of title 2. The procurement will be subject to the requirement that the contract be approved by Council and that the contract meet or exceed CBE requirements. Sec. 3. Fiscal impact statement. The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the District of Columbia

Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-32 33 206.02(c)(3)). Sec. 4. Effective date. 34 (a) This act shall take effect following approval by the Mayor (or in the event of 35 veto by the Mayor action by the Council to override the veto), a 30-day period of 36 Congressional review as provided in Section 602(c)(1) of the District of Columbia Home 37 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-38 206.02(c)(1)), and publication in the District of Columbia Register. 39 (b) This act shall expire after 225 days of its having taken effect. 40 41

Government of the District of Columbia Office of the Chief Financial Officer



Jeffrey S. DeWitt Chief Financial Officer

MEMORANDUM

TO:

The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM:

Jeffrey S. DeWitt

Chief Financial Officer

DATE:

December 28, 2018

SUBJECT:

Fiscal Impact Statement - Sports Wagering Procurement Practices

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Reform Exemption Emergency Act of 2019

REFERENCE:

Draft Bill provided to the Office of Revenue Analysis on December 27,

2018

Conclusion

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

Background

In December 2018, the Council passed legislation¹ legalizing sports wagering and establishing the Office of Lottery and Gaming (OLG) as a regulator and operator of sports wagering in the District. OLG will contract with a gaming vendor to run its sports wagering operation. The gaming vendor will supply gaming systems, terminals, communications networks, and related services used to implement sports betting in the District.

To expedite the establishment of sports wagering operations, the bill exempts OLG's procurement of the gaming vendor and systems from the Procurement Practices Reform Act of 2010².

Financial Plan Impact

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

¹ Sports Wagering Lottery Emergency Amendment Act of 2018, approved December 18, 2018 (Bill 22-1071).

² Chapter 3A of Title II of the District of Columbia Official Code.

GOVERNMENT OF THE DISTRICT OF COLUMBIA OFFICE OF THE CHIEF FINANCIAL OFFICER



The Office of the General Counsel

MEMORANDUM

TO:

Jeffrey S. DeWitt

Chief Financial Officer

THRU:

David Tseng

General Counsel

FROM:

Treva Saunders

Associate General Counsel, Personnel and Procurement

DATE:

January 2, 2019

RE:

Sports Wagering Procurement Practices Reform Exemption Emergency Act of

2019, Sports Wagering Procurement Practices Reform Exemption Emergency Declaration Resolution of 2019, and Sports Wagering Procurement Practices

Reform Exemption Temporary Act of 2019

This is to Certify that this Office has reviewed the above-referenced legislation and that we have found it to be legally sufficient. If you have any questions in this regard, please do not hesitate to contact me at 442-7127.