



Administrative and Application Guidance

Sports Wagering – Class C License Only

Class C License

The Sports Wagering Amendment Act of 2024 authorizes Class C operators (or their management services providers) to offer sports wagering over mobile or online applications to those persons physically located within the District of Columbia (“District”) and outside the parameter restrictions set forth by federal and District laws and Office of Lottery and Gaming (“OLG”) rules. The following guidance is solely addressing the requirements associated with Class C sports wagering offered through online and mobile applications.

Online Provisional Application Process

- Create an account and complete a Class C application via the OLG’s licensing portal: <https://sportswagering.dc.gov/user-registration-6664>

Requirement to commence an operator application: Applicant must have a DC Basic Business License (BBL) issued by the Department of Consumer and Regulatory Affairs. The application cannot be started unless the applicant has a valid BBL.

- File the application as a Class B Operator; the OLG will track the application under the Class C licensing category. If the applicant is seeking a temp/provisional Class C license, select the “Provisional Class B” category in the application portal.
- Licensing FAQs: <https://dclottery.com/olg/licensing-faqs>

Provisional Licensing Requirements (documents to be submitted via the licensing portal)

- a) Agreement with an eligible sports team: Such team must meet the following three criteria:
 - i. Registered with the governing body of MLB, MLS, NBA, NFL, NHL, NWSL or WNBA.
 - ii. Team plays ninety percent (90%) or more of its home games within the District of Columbia.
 - iii. Team plays its home games at a sports stadium or arena that includes one of the following: Capital One Arena, Audi field, Nationals Park or St. Elizabeths East Sports & Entertainment Arena.
- b) OLG Certification Form completed and signed by the team with whom the applicant is contracting.



- c) Proof of current licensure in at least five (5) U.S. jurisdictions (provide copies of license certificate): License must relate to sports wagering operator.
- d) Payment of \$2 Million, nonrefundable, Application Fee. Payment made via wire transfer.
- e) Basic Business License: see above for details.
- f) Certificate of Clean Hands: Certificate is issued by District of Columbia's Office of Tax and Revenue.
- g) Servers: Transactional servers must be located within the District of Columbia.

Provisional sports wagering Class C licenses are valid for six months from date of issuance. While not required, OLG strongly recommends applicants have geolocation testing of their mobile app (geolocation certifications) to ensure compliance with OLG's geofencing standards (see link to standards below).

Provisional License Operational Requirements

Within two weeks of provisional license effective date or sooner, the applicant must provide the OLG a bond and proof of reserve requirement. Bond and reserve requirements are as follows:

- a) Bond: Operators must be bonded in the amount equal to fifty percent (50%) of the amount disclosed in accordance with D.C. Official Code § 36-621.06(a)(1)(F) – based on the estimated tax revenue generated by the sports wagering facility covering the five-year licensing period. Original bond must be mailed to the OLG.

Example, if GGR over a 5-year period is \$10M the 30% tax would be \$3M and ½ would be \$1.5M. The latter would be the bond amount.

- b) Reserve Requirements: Operators must maintain a reserve of not less than \$25,000 or the sum of the following (30 DCMR § 2117):
 - 1) Amounts held by the Operator for Sports Wagering Accounts;
 - 2) Aggregate amounts accepted by the Operator as wagers on sports wagering events whose outcomes have not been determined; and
 - 3) Amounts owed but unpaid by the Operator on winning wagers through the period established by the Operator for honoring winning wagers.

It is expected that applicants put in reserve a realistic amount consistent with reserves held in other jurisdictions. Proof of meeting reserve requirements can be provided in the form of bank statements.

Standard Licensing Process

Within 60 days of a Class C license effective date, Licensee must submit a Class C standard sports wagering license application. Using the sports wagering application portal, Licensee must select “Standard Class B Sports Wagering License” option. The following is a summary of the information and documents that will be inputted or uploaded to online application:

- a) Multi-Jurisdictional Personal History Disclosure Form and Key Personnel Release of Information Form(s) – individual qualifiers for the Applicant
- b) Enterprise/Entity Release Authorization Form(s)
- c) Partnerships/Agreements, if any, between the operator and suppliers (provide copies)
- d) Internal Controls and an independent audit report of compliance with OLG’s Minimum Internal Control Standards (MICS) that includes an assessment, among other matters, sport wagering system, player account verification, player monitoring, player deposits, player wagers, and system updates. MICS can be located at the following link: [MICS](#)
- e) OLG approved Test Lab certification (mobile APP, Geofencing). The following link is to the geofencing standards for District-Wide mobile app/online sports wagering: [Executive Director Order 20-S-005](#)
- f) Anti-Money Laundering Program (e.g., KYC procedures/processes, SAR investigation and decisioning procedures and, if applicable, procedures relating to CTR/MTL matters).
- g) House Rules (based on the OLG approved wager types and events)
- h) Operational plan (e.g., mobile app)
- i) Hours of operation, if less than 24 hours.
- j) Responsible Gaming Plan including Self-Limiting and Self-Exclusion, see 30 DCMR §§ 2110.2, 2114, 2128 and 2129.
- k) Certified Business Enterprise (CBE) Plan approval or waiver: A Class C standard license cannot be issued unless the Department of Small and Local Business Development (“DSLBD”) approves applicant’s CBE Plan. A CBE Plan must be submitted directly to DSLBD for approval. If an applicant seeks to obtain a waiver to the CBE Plan requirement, it should be submitted directly to OLG’s Director of Regulation and Oversight (contact information provided below). The OLG will process the waiver request for a final decision by DSLBD.



- The OLG ***may*** request additional information considered necessary and appropriate to determine competency, honesty, quality, economic impact and integrity of the proposed operation:

- Business term agreements with OLG licensed suppliers
- Remediation plans if fined and/or sanctioned in any gaming jurisdiction
- Proof of collections or tax payment plans
- Other documents as necessary to determine licensing suitability

Tax account set up /Monthly Financials

- As required of all operators, Class C licensees must register with the Office of Tax and Revenue (“OTR”) and list Sports Wagering as a tax type through its web profile at [MyTax.DC.gov](https://mytax.dc.gov). The tax returns will be due on the 20th of each month and must be filed at [MyTax.DC.gov](https://mytax.dc.gov). Class C Operators will be taxed at 30% based on Gross Gaming Revenue (GGR).
<https://otr.cfo.dc.gov/page/sports-wagering-lottery-amendment-act-2018-DC>
- Separate from tax reports filed with OTR, sports wagering operators are required to file monthly financial reports with the OLG within 5 days after the close of the month. Reports (form will be provided) are to be submitted via email to: SWReports@dc.gov

Assistance with application and other administrative matters

The OLG’s Regulation and Oversight Division processes all privately-operated sports wagering license applications (e.g., Class A, B, C, MSP, supplier, and occupational). If you encounter any issues in the application process or have questions regarding particular topics, you may contact the following individuals:

General licensing and Application portal issues:

Mustafa Raja, Sports Wagering Program License Specialist
Email: Mustafa.raja@dc.gov

Supporting application documents and other materials:

Luis Rendon, Investigations & Enforcement Officer
Email: luis.rendon@dc.gov

CBE Plan waiver requests:

Peter Alvarado, Director, Regulation & Oversight Division
Email: peter.alvarado@dc.gov