



Speaker of the House Adrienne Jones State House, H-101 State Circle Annapolis, MD 21401 State Senate President Bill Ferguson State House, H-107 100 State Circle Annapolis, MD 21401

March 22, 2021

Dear Speaker Jones and Senate President Ferguson,

On behalf of the undersigned civic and business organizations representing hundreds of thousands of Maryland business owners, civic leaders, and residents, we write today in strong support of efforts to induce meaningful and substantive minority business enterprise (MBE) participation in the forthcoming mobile and terrestrial sports betting marketplaces. The Maryland General Assembly has yet another opportunity to trailblaze a newly exemplary path to not only ensure diversity in what is expected to be a multimillion-dollar industry in Maryland alone, but also its success, delivering to in-state and national partners the benefit of certified Maryland MBE partners with experience serving Maryland and her residents.

Created over 40 years by an act of the General Assembly, Maryland's MBE program ensures sociallyand economically-disadvantaged small business owners are included in the State's procurement and contracting opportunities. With over 70 participating agencies actively working to award procurement contracts to certified MBE firms, this program is hailed nationally as a leader in powering growth and efficiency across government procurement.

Today, the General Assembly is presented with a tremendous opportunity to build upon the state's successful record by implementing robust and muscular MBE requirements for the forthcoming regulated sports betting marketplaces soon to be permitted in the state. We recognize the complexity of your work ahead, and the significant competing interests in designing a competitive, responsible, and consumer-focused regulatory framework that delivers what an overwhelmingly majority of Maryland voters has requested.

To that end, the state's MBE-certified businesses are prepared to quickly respond and deploy services in a manner expeditious to the regulatory timeline and consumer demand. With revenue at stake to the tune of millions that can be dedicated to Maryland's public schools, it is imperative that the state have at its disposal the decades of experience and success that our state's MBE-certified business owners have delivered for countless of industries in the state, such as hospitality, gaming, technology, manufacturing, construction, healthcare and life sciences, to name a few.

Legalized sports betting is a unique opportunity to craft a Maryland-specific solution that injects millions of dollars in both intellectual and real capital to MBE-certified companies. With twenty-two states having now legalized sports betting for on-premises, "brick-and-mortar" settings or for mobile applications, not a single state has taken the opportunity to meaningfully establish MBE-specific standards for applicants for on-premises or mobile skins. The result is an increasingly and overwhelmingly concentrated marketplace, especially in mobile markets, where national operators or established incumbents easily acquire market share and expectedly have yet to relinquish any significant percentage of that market share.

Maryland's legislative leaders, responsible for developing a regulatory regime that will incent growth for all communities, should not succumb to incumbents in the commercial gaming or mobile sports betting industries so desperate to break into the state without conditions that provide for MBE participation. Moreover, with overwhelmingly high rates of participation in mobile sports betting marketplaces viewed in states that have permitted such operations, it is clear those conditions must be applied to the mobile marketplaces.

In sum, this generational opportunity for the Maryland economy and its businesses and communities should not go without a deep and broad understanding as to how the state can ensure that capital pursuant to the voters' clear desires is directed back into Maryland companies and the communities in which they operate. Absent effective and meaningful MBE programs from inception, we may miss this opportunity to increase wealth and access to opportunity to communities across the state.

Sincerely,

Flawless Tax Accounting Services	The Cornerstone Group
Dumpster Today, LLC	AMCORP
The Success Zone	Mirror Accounting Services
Maryland Black Chamber of Commerce	The Campus
EightyFour Productions	Sports International Group
Fusion Business	K. Neal Truck and Bus Center
Thyra Jackson Benoit, LCSW-C	Enlightened, Inc.