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Legislative Document

No. 1656

S.P. 533

In Senate, April 30, 2019

An Act To Provide for the Regulation of Sports Wagering

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by President JACKSON of Aroostook.
Cosponsored by Representative COLLINGS of Portland and
Senator: LUCHINI of Hancock.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 8 MRSA §1003, sub-§5**, as repealed and replaced by PL 2017, c. 475, Pt.
3 A, §11, is amended to read:

4 **5. Additional duties of the director.** The director also serves as the director of the
5 Gambling Control Unit, established as a bureau within the Department of Public Safety
6 under Title 25, section 2902, subsection 12. As director of the unit, the director shall
7 administer and enforce the laws governing fantasy contests under chapter 33, sports
8 wagering under chapter 35 and beano and games of chance under Title 17, chapters 13-A
9 and 62, respectively.

10 **Sec. 2. 8 MRSA §1104, sub-§2**, as enacted by PL 2017, c. 303, §2, is amended to
11 read:

12 **2. Certain leagues and contests prohibited.** A fantasy contest operator may not
13 offer a fantasy contest based on the performances of participants in ~~collegiate~~ or high
14 school athletic events or other athletic events involving participants under 18 years of
15 age.

16 **Sec. 3. 8 MRSA c. 35** is enacted to read:

17 **CHAPTER 35**

18 **REGULATION OF SPORTS WAGERING**

19 **§1201. Authorization of sports wagering**

20 Notwithstanding any provision of law to the contrary, the operation of sports
21 wagering and ancillary activities are lawful when conducted in accordance with the
22 provisions of this chapter and the rules of the director.

23 **§1202. Definitions**

24 As used in this chapter, unless the context otherwise indicates, the following terms
25 have the following meanings.

26 **1. Adjusted gross sports wagering receipts.** "Adjusted gross sports wagering
27 receipts" means an operator's gross receipts from sports wagering less the total of all
28 winnings paid to patrons, which includes the cash equivalent of any merchandise or thing
29 of value awarded as a prize, and less excise tax payments remitted to the Federal
30 Government.

31 **2. Collegiate sports or athletic event.** "Collegiate sports or athletic event" means a
32 sports or athletic event offered or sponsored by, or played in connection with, a public or
33 private institution that offers postsecondary educational services.

34 **3. Director.** "Director" means the director of the Gambling Control Unit within the
35 Department of Public Safety.

1 **4. License.** "License" means any license applied for or issued by the director under
2 this chapter, including, but not limited to:

3 A. A facility license under section 1205 to conduct sports wagering within a physical
4 location in this State as identified in section 1205, subsection 2;

5 B. A supplier license under section 1206 to sell goods and services to be used in
6 connection with sports wagering conducted by a facility licensee, but not to directly
7 accept wagers;

8 C. A management services license under section 1207 to manage sports wagering on
9 behalf of a facility licensee;

10 D. A mobile sports wagering license under section 1208 to permit a mobile operator
11 to operate sports wagering through an approved mobile application or digital
12 platform; and

13 E. An occupational license under section 1209 to be employed by a facility licensee
14 to operate sports wagering when the employee performs duties in furtherance of or
15 associated with the operation of sports wagering.

16 **5. Mobile operator.** "Mobile operator" means a mobile sports wagering licensee
17 under subsection 4, paragraph D.

18 **6. National criminal history background check system.** "National criminal
19 history background check system" means the criminal history background check system
20 maintained by the Federal Bureau of Investigation.

21 **7. Operator.** "Operator" includes a retail operator and a mobile operator.

22 **8. Professional sports or athletic event.** "Professional sports or athletic event"
23 means an event at which 2 or more persons participate in sports or athletic contests and
24 receive compensation in excess of actual expenses for their participation in the event.

25 **9. Qualified gaming entity.** "Qualified gaming entity" means a gaming entity that
26 offers sports wagering through mobile applications or digital platforms in any jurisdiction
27 in the United States pursuant to a state regulatory structure.

28 **10. Retail operator.** "Retail operator" means a facility licensee under subsection 4,
29 paragraph A.

30 **11. Sports event or sporting event.** "Sports event" or "sporting event" means any
31 professional sports or athletic event, collegiate sports or athletic event, motor race event,
32 electronic sports event, competitive video game event or any other special event for
33 which sports wagering is authorized by the director under this chapter.

34 **12. Sports wagering.** "Sports wagering" means the business of accepting wagers on
35 sporting events or portions of sporting events, other events, the individual performance
36 statistics of athletes in a sporting event or other events or a combination of any of the
37 same by any system or method of wagering approved by the director, including, but not
38 limited to, in person on the property of a facility licensee or via a mobile sports wagering
39 licensee's mobile applications and digital platforms that use communications technology

1 to accept wagers. "Sports wagering" includes, but is not limited to, single-game bets,
2 teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game
3 wagering, in-play bets, proposition bets and straight bets. "Sports wagering" does not
4 include fantasy contests as defined in section 1101, subsection 4.

5 **13. Sports wagering account.** "Sports wagering account" means a financial record
6 established by an operator, or by a management services licensee on behalf of a facility
7 licensee, for an individual patron into which the patron may deposit and from which the
8 patron may withdraw funds for sports wagering and other authorized purchases, and to
9 which the operator or management services licensee may credit winnings or other
10 amounts due to that patron or authorized by that patron. A sports wagering account may
11 be established electronically through any approved mobile application or digital platform.

12 **14. Wager.** "Wager" means a sum of money or thing of value risked on an uncertain
13 occurrence.

14 **§1203. Powers and duties of director**

15 **1. Powers and duties.** In administering and enforcing this chapter, the director:

16 A. Has the power to regulate the conduct of sports wagering;

17 B. Shall examine the rules and regulations implemented in other states where sports
18 wagering is conducted and shall, as far as practicable, adopt a similar regulatory
19 structure through adoption of rules in order to maximize revenue and most effectively
20 combat the existing illegal sports wagering market;

21 C. May adopt rules necessary for the successful implementation, administration and
22 enforcement of this chapter, including, but not limited to, rules governing the
23 acceptance of wagers on a sports event, other event or a series of sports events;
24 maximum wagers that may be accepted by an operator from any one patron on any
25 one event; type of wagering receipts that may be used; method of issuing receipts;
26 method of accounting to be used by operators; types of records that must be kept;
27 type of system for wagering; protections for patrons placing wagers; and promotion
28 of social responsibility, responsible gaming and inclusion of the statement, "If you or
29 someone you know has a gambling problem and wants help, call 1-800-GAMBLER,"
30 on display at the facility licensee's property or on any mobile application or digital
31 platform used to place wagers. Rules adopted under this paragraph are routine
32 technical rules as defined in Title 5, chapter 375, subchapter 2-A;

33 D. May adopt emergency rules in accordance with Title 5, section 8054;

34 E. Shall determine the eligibility of a person to hold or continue to hold a license,
35 shall issue all licenses and shall maintain a record of all licenses issued under this
36 chapter. The director may accept applications, evaluate qualifications of applicants
37 and undertake an initial review of licenses prior to adoption of emergency rules
38 pursuant to paragraph D;

39 F. Shall levy and collect all fees, civil penalties and tax on adjusted gross sports
40 wagering receipts imposed by this chapter, except as otherwise provided under this
41 chapter;

- 1 G. May sue to enforce any provision of this chapter or any rule of the director by
2 civil action or petition for injunctive relief;
- 3 H. May hold hearings, administer oaths and issue subpoenas or subpoenas duces
4 tecum in the manner provided by applicable law; and
- 5 I. May exercise any other powers necessary to effectuate the provisions of this
6 chapter and the rules of the director.

7 **§1204. Licenses required**

8 **1. Licenses.** A person or entity may not offer, accept, process or solicit a sports
9 wager in this State unless all necessary licenses have been obtained in accordance with
10 this chapter and rules adopted pursuant to this chapter.

11 **2. Qualifications and control.** The director may not grant a license until the
12 director determines that each person that has control of the applicant meets all
13 qualifications for licensure. The following persons are considered to have control of an
14 applicant:

15 A. Each corporate holding company, parent company or subsidiary company of a
16 corporate applicant and each person that owns 10% or more of the corporate
17 applicant and that has the ability to control the activities of the corporate applicant or
18 elect a majority of the board of directors of that corporate applicant, except for a bank
19 or other licensed lending institution that holds a mortgage or other lien acquired in
20 the ordinary course of business;

21 B. Each person associated with a noncorporate applicant that directly or indirectly
22 holds a beneficial or proprietary interest in the noncorporate applicant's business
23 operation or that the director otherwise determines has the ability to control the
24 noncorporate applicant; and

25 C. Key personnel of an applicant, including any executive, employee or agent,
26 having the power to exercise significant influence over decisions concerning any part
27 of the applicant's business operation.

28 **3. Application.** An applicant for a license issued under this chapter shall submit an
29 application to the director in the form the director requires and submit fingerprints for a
30 criminal history background check to the national criminal history background check
31 system conducted by the Maine State Police and the Federal Bureau of Investigation. The
32 fingerprints must be furnished by all persons required to be named in the application and
33 must be accompanied by a signed authorization for the release of information by the
34 Maine State Police and the Federal Bureau of Investigation, except that a person who has
35 submitted to a criminal history background check in this State or any other state within
36 the previous 12 months is not required to submit to another criminal history background
37 check if the person submits the results of the previous criminal history background check.
38 An applicant convicted of any disqualifying offense may not be licensed.

39 **4. Material change to application.** A person licensed under this chapter shall give
40 the director written notice within 30 days of any material change to any information
41 provided in the licensee's application for a license or renewal.

1 **5. Gambling Control Unit employees prohibited.** A Gambling Control Unit
2 employee may not be an applicant for a license issued under this chapter.

3 **§1205. Facility license**

4 **1. Issue.** The director shall issue a facility license upon finding that the applicant
5 meets all requirements of this section.

6 **2. Application.** In order to be eligible to receive a facility license, an applicant must
7 also hold a license, or in the case of a beano or high-stakes beano operator, hold a license
8 or be registered, as a:

9 A. Commercial track under section 271;

10 B. Off-track betting facility under section 275-D;

11 C. A slot machine facility or casino under section 1011; or

12 D. Beano or high-stakes beano operator under Title 17, section 312.

13 An applicant may not conduct sports wagering until the applicant has obtained a license
14 required under this subsection.

15 **3. Occupational license required.** A facility licensee shall conduct sports wagering
16 through persons holding a valid occupational license under section 1209.

17 **4. Management services permitted.** A facility licensee under this section may
18 contract with a management services licensee under section 1207.

19 **5. Fee.** The fee for an original or renewed facility license is \$10,000 and must be
20 retained by the director for the costs of administering this chapter.

21 **6. License period.** A license granted under this section is valid for 10 years unless
22 sooner terminated by the director for just cause. Failure to maintain a license required
23 under subsection 2 voids a license issued under this section.

24 **7. Municipal control.** Nothing in this chapter may be construed to restrict the
25 authority of municipalities under municipal home rule provisions of the Constitution of
26 Maine, including zoning and public safety authority.

27 **§1206. Supplier license**

28 **1. Issue.** The director shall issue a supplier license upon finding that the applicant
29 meets all requirements of this section.

30 **2. Equipment.** An applicant for a supplier license shall demonstrate that the
31 equipment, system or services that the applicant plans to offer to a facility licensee
32 conform to standards established by the director and applicable state law. The director
33 may accept approval by another jurisdiction that is specifically determined by the director
34 to have similar equipment standards as evidence the applicant meets the standards
35 established by the director and applicable state law.

1 **3. Qualification; fee; renewal.** An applicant for a supplier license shall meet all
2 requirements for licensure and pay a nonrefundable application fee of \$1,000. The
3 director may adopt rules establishing additional requirements for a supplier. A supplier
4 license must be renewed annually for a licensee that continues to be in compliance with
5 all requirements and pays the annual renewal fee of \$1,000. Fees paid under this
6 subsection must be retained by the director for the costs of administering this chapter.

7 **4. Inventory.** A supplier licensee shall submit to the director a list of all sports
8 wagering equipment and services sold to, delivered to or offered to a facility licensee in
9 this State as required by the director, all of which must be tested and approved by an
10 independent testing laboratory approved by the director. A licensee under this chapter
11 may continue to use supplies acquired from a licensed sports wagering supplier even if a
12 supplier's license expires or is otherwise cancelled unless the director finds a defect in the
13 supplies.

14 **§1207. Management services license**

15 **1. Issue.** The director shall issue a management services license upon finding that
16 the applicant meets all requirements of this section.

17 **2. Services.** A management services licensee may contract with a facility licensee to
18 manage sports wagering operations on behalf of the facility licensee in accordance with
19 rules adopted pursuant to this chapter.

20 **3. Qualification; fee; renewal.** An applicant for a management services licensee
21 shall meet all requirements for licensure and pay a nonrefundable application fee of
22 \$5,000. The director may adopt rules establishing additional requirements for a
23 management services licensee. The director may accept licensing, or authorization to
24 operate, by another jurisdiction that is specifically determined by the director to have
25 similar licensing requirements as evidenced by the applicant's meeting authorized
26 management services provider licensing requirements. A management services license
27 must be renewed every 5 years for a licensee that continues to be in compliance with all
28 requirements and pays the renewal fee of \$5,000. Fees paid under this subsection must
29 be retained by the director for the costs of administering this chapter.

30 **§1208. Mobile sports wagering license; temporary license; audits**

31 **1. Operation upon approval.** A mobile operator may operate sports wagering upon
32 the approval of the director.

33 **2. Authority to conduct sports wagering.** A mobile sports wagering license
34 granted by the director pursuant to this section grants a licensee lawful authority to
35 conduct sports wagering within the terms and conditions of the license and any rules
36 adopted under this chapter.

37 **3. Issuance of license.** The director shall issue a mobile sports wagering license to
38 operate sports wagering to a mobile operator that meets the requirements of this section.

39 **4. Temporary license.** A qualified gaming entity may submit a request to the
40 director for the immediate commencement of sports wagering operations. Such a request

1 must include the initial license fee of \$10,000. Upon receiving a request for a temporary
2 license, the director shall review the request. If the director determines that the entity
3 requesting the temporary license is a qualified gaming entity, has paid the initial license
4 fee and is in compliance with this subsection, the director shall authorize the qualified
5 gaming entity to conduct sports wagering for 2 years under a temporary license or until a
6 final determination on the mobile operator's license application is made. Sports wagering
7 conducted under authority of a temporary license must comply with the mobile operator's
8 house rules adopted pursuant to section 1211. Fees paid under this subsection must be
9 retained by the director for the costs of administering this chapter.

10 **5. Grant of license; term.** Upon application by a qualified gaming entity and
11 payment of a \$1,000 application fee, the director shall grant a mobile sports wagering
12 license that provides for the right to conduct sports wagering if the applicant meets the
13 requirements for licensure under the provisions of this chapter and the rules adopted
14 under this chapter and pays the initial license fee of \$10,000. A license must be issued
15 for a 10-year period and may be renewed for 10-year periods upon payment of a \$10,000
16 renewal fee, as long as the mobile operator continues to meet all qualification
17 requirements. Fees paid under this subsection must be retained by the director for the
18 costs of administering this chapter.

19 **6. Mobile applications and digital platforms.** A mobile sports wagering license
20 authorizes the operation of sports wagering through any mobile application or digital
21 platforms approved by the director.

22 **7. Expiration date and renewal.** A mobile operator shall submit to the director
23 such documentation or information as the director may require demonstrating that the
24 mobile operator continues to meet the requirements of this chapter and rules adopted
25 under this chapter. Required documentation or information must be submitted no later
26 than 5 years after issuance of a mobile sports wagering license and every 5 years
27 thereafter or within shorter time periods based on circumstances specified by the director.

28 **8. Audits.** Upon application for a license and annually thereafter, a mobile operator
29 shall submit to the director an annual audit of the financial transactions and condition of
30 the licensee's total operations prepared by a certified public accountant in accordance
31 with generally accepted accounting principles and applicable federal and state laws. The
32 audit must be submitted by a mobile operator by July 1st of the following year.

33 **§1209. Occupational license**

34 **1. License required.** A person employed by a facility licensee to be engaged
35 directly in sports wagering-related activities, or otherwise conducting or operating sports
36 wagering, must be licensed by the director and maintain a valid occupational license at all
37 times. The director shall issue an occupational license to a person who meets the
38 requirements of this section.

39 **2. Authority to be employed in sports wagering.** An occupational license
40 authorizes the licensee to be employed by a facility licensee in the capacity designated by
41 the director while the license is active. The director may establish, by rule, job

1 classifications with different requirements to recognize the extent to which a particular
2 job has the ability to affect the proper operation of sports wagering.

3 **3. Application and fee.** An applicant shall submit any required application forms
4 established by the director and pay a nonrefundable application fee of \$250. The fee may
5 be paid on behalf of an applicant by the facility licensee employer. Fees paid under this
6 subsection must be retained by the director for the costs of administering this chapter.

7 **4. Renewal fee and form.** A licensed employee shall pay to the director an annual
8 renewal fee of \$250 by December 31st of each year. The fee may be paid on behalf of the
9 licensed employee by the facility licensee employer. In addition to a renewal fee, a
10 licensed employee shall annually submit a renewal application on the form required by
11 the director. Fees paid under this subsection must be retained by the director for the costs
12 of administering this chapter.

13 **§1210. License prohibitions**

14 **1. Grounds for denial.** The director may not grant a license, pursuant to the
15 provisions of this chapter, if the applicant:

16 A. Has knowingly made a false statement of a material fact to the director;

17 B. Has had a license revoked by any government authority responsible for regulation
18 of gaming activities; or

19 C. Has been convicted of a crime of moral turpitude, a gambling-related offense or a
20 theft or fraud offense or has otherwise demonstrated, either by a police record or
21 other satisfactory evidence, a lack of respect for law and order.

22 **2. Denial of license; reprimand, suspension and revocation.** The director may
23 deny a license to any applicant, reprimand any licensee or suspend or revoke a license:

24 A. If the applicant or licensee has not demonstrated to the satisfaction of the director
25 financial responsibility sufficient to adequately meet the requirements of the licensed
26 business or proposed business;

27 B. If the applicant has not disclosed the existence or identity of other persons that
28 have an ownership interest in the applicant; or

29 C. In the case of an applicant for a facility license or mobile sports wagering license,
30 if an applicant has not met the requirements of this section or any other provision of
31 this chapter.

32 **§1211. Sports wagering house rules**

33 **1. Adoption of house rules.** An operator shall adopt comprehensive house rules for
34 game play governing sports wagering transactions with its patrons. The rules must
35 specify the amounts to be paid on winning wagers and the effect of schedule changes, the
36 circumstances under which the operator will void a bet and treatment of errors, late bets
37 and related contingencies. House rules must be approved by the director prior to
38 implementation.

1 **2. Posting of house rules.** The house rules, together with any other information the
2 director determines to be appropriate, must be included in the terms and conditions of the
3 sports wagering system. Copies must be made readily available to patrons.

4 **§1212. Operator duties**

5 **1. Duties.** An operator shall:

6 A. Employ a monitoring system using software to identify unusual irregularities in
7 volume or odds swings that could signal suspicious activity that requires further
8 investigation; such activity must be immediately reported to and investigated by the
9 director. System requirements and specifications must be in accordance with
10 industry standards;

11 B. Promptly report to the director any facts or circumstances related to the operation
12 of a licensee that constitute a violation of state or federal law and promptly report any
13 suspicious betting over a threshold set by the operator that has been approved by the
14 director to the appropriate state or federal authorities;

15 C. Conduct all sports wagering activities and functions in a manner that does not
16 pose a threat to the public health, safety or welfare of the citizens of this State;

17 D. Keep current in all payments and obligations to the director;

18 E. Prevent any person from tampering with or interfering with the operation of any
19 sports wagering;

20 F. Ensure that sports wagering occurs using only a mobile application or digital
21 platform approved by the director that uses communications technology to accept
22 wagers originating in this State;

23 G. Maintain sufficient cash and other supplies to conduct sports wagering at all
24 times; and

25 H. Maintain daily records showing the gross sports wagering receipts and adjusted
26 gross sports wagering receipts of the licensee and timely file with the director any
27 additional reports required by rule or by other provisions of this chapter.

28 **§1213. Displaying betting limits**

29 An operator shall conspicuously display the minimum and maximum wagers
30 permitted.

31 **§1214. Acceptance of wagers; excluded persons**

32 **1. Accepting wagers.** A mobile operator may accept wagers on sports events by
33 means of electronic devices. A person placing a wager must be 18 years of age or older.

34 **2. Mobile applications and digital platforms.** A mobile operator may accept
35 wagers from a patron physically located in this State, through the patron's sports wagering
36 account, using a mobile application or digital platform approved by the director. The
37 branding for each mobile application or digital platform must be determined by the
38 mobile operator.

1 **3. Wagers with other operators.** An operator may accept wagers placed by other
2 operators, and may place wagers with other operators, as long as an operator that places a
3 wager with another operator informs the operator accepting the wager that the wager is
4 being placed by an operator and discloses the wagering operator's identity.

5 **4. Excluded persons.** The director or an operator may for good cause ban a person
6 from participating in the play or operation of sports wagering. A log of all excluded
7 persons must be kept by the director and each operator, and a person on the director's
8 exclusion list or an operator's exclusion list may not engage in sports wagering under this
9 chapter.

10 **5. Employees prohibited from wagering.** An employee of an operator may not
11 place a wager on any sports event through a mobile application or digital platform of that
12 employee's employer.

13 **6. Other wagering prohibitions.** An employee of an operator may not knowingly
14 wager or be paid any prize from any wager placed with that operator or at any facility or
15 through any mobile application or digital platform outside this State that is directly or
16 indirectly owned or operated by that operator.

17 **§1215. Sports wagering revenues; accounting for State's share of revenue imposed**
18 **for privilege of offering sports wagering; limitation of other taxes**

19 **1. Imposition and rate of assessment.** For the privilege of holding a mobile sports
20 wagering license or a facility license to operate sports wagering under this chapter, a tax
21 of 10% of the licensee's adjusted gross sports wagering receipts is levied on a mobile
22 sports wagering licensee and a facility licensee. The accrual method of accounting must
23 be used for purposes of calculating the amount of the tax owed by the licensee.

24 **2. Operator returns and payment of tax.** The following provisions govern
25 operator returns and payment of tax pursuant to subsection 1.

26 **A.** The tax levied and collected pursuant to subsection 1 is due and payable to the
27 director in monthly installments on or before the 15th calendar day following the
28 calendar month in which the adjusted gross sports wagering receipts were received.

29 **B.** An operator shall complete and submit the return for the preceding month by
30 electronic communication to the director, on or before the 15th calendar day, in the
31 form prescribed by the director that provides:

32 **(1)** The gross sports wagering receipts and adjusted gross sports wagering
33 **receipts during that month;**

34 **(2)** The tax amount for which the operator is liable; and

35 **(3)** Any additional information necessary in the computation and collection of
36 **the tax on adjusted gross sports wagering receipts required by the director.**

37 **C.** The tax amount shown to be due must be remitted by electronic funds transfer
38 **simultaneously with the filing of the return.**

1 D. When adjusted gross sports wagering receipts for a month is a negative number
2 because the winnings paid to a licensee's sports wagering patrons exceed the
3 licensee's gross sports wagering receipts, the director shall allow the licensee to carry
4 over the negative amount to returns filed for subsequent months. The negative
5 amount of adjusted gross sports wagering receipts may not be carried back to an
6 earlier month and money previously received by the director may not be refunded,
7 except if the licensee surrenders its license and the licensee's last return reported
8 negative adjusted gross sports wagering receipts.

9 **3. No other taxes.** The tax on adjusted gross sports wagering receipts imposed by
10 this section is in lieu of all other state and local taxes and fees imposed on the operation
11 of or the proceeds from the operation of sports wagering.

12 **§1216. Civil violation**

13 Except as provided in section 1217, a person that violates the provisions of this
14 chapter commits a civil violation for which the director may impose a fine of not more
15 than \$5,000 for each violation, not to exceed \$50,000 for violations arising out of the
16 same transaction or occurrence. The director may impose a fine on any person that
17 violates this chapter and is not limited to persons licensed under this chapter.

18 **§1217. Crimes and penalties related to unauthorized sports wagering**

19 **1. Violation of this chapter.** A person, other than a licensee under this chapter, that
20 engages in or facilitates sports wagering commits a Class E crime and notwithstanding
21 Title 17-A, section 1301 is subject to a fine of not more than \$10,000 and a term of
22 imprisonment of not more than 90 days.

23 **2. Second violation.** A person convicted of a 2nd violation of subsection 1 commits
24 a Class D crime and notwithstanding Title 17-A, section 1301 is subject to a fine of not
25 more than \$50,000 and a term of imprisonment of not more than 6 months.

26 **3. Third violation.** A person convicted of a 3rd or subsequent violation of
27 subsection 1 commits a Class C crime and notwithstanding Title 17-A, section 1301 is
28 subject to a fine of not less than \$25,000 and not more than \$100,000 and a term of
29 imprisonment of not less than one year and not more than 5 years.

30 **§1218. Applicability of other laws**

31 The provisions of Title 17, chapter 62 and Title 17-A, chapter 39 do not apply to
32 sports wagering conducted in accordance with this chapter and the rules adopted pursuant
33 to this chapter.

34 SUMMARY

35 This bill authorizes sports wagering regulated by the Department of Public Safety,
36 Gambling Control Unit. The bill requires a person or entity involved in sports wagering
37 to hold a facility license, supplier license, management services license, mobile sports
38 wagering license or occupational license. To be eligible to receive a facility license, a

1 person or entity must also hold a license, or in the case of a beano operator, hold a license
2 or be registered, as a commercial track, off-track betting facility, slot machine facility,
3 casino or beano operator. A mobile sports wagering license authorizes the operation of
4 sports wagering through a mobile application or digital platform approved by the
5 Gambling Control Unit. For the privilege of holding a mobile sports wagering license or
6 a facility license to operate sports wagering, the bill levies a tax of 10% of the licensee's
7 adjusted gross sports wagering receipts from the operation of sports wagering. The bill
8 allows a fantasy contest operator to offer a fantasy contest based on the performances of
9 participants in collegiate athletic events.