



# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

---

Legislative Document

No. 1657

---

S.P. 534

In Senate, April 30, 2019

### An Act To Regulate 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 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-§1, ¶K**, as amended by PL 2015, c. 499, §4, is  
3 further amended to read:

4 K. Ensure that public safety inspectors employed by the board assigned to enforce  
5 the provisions of this chapter at the site of a casino may, in the absence of a sworn  
6 law enforcement officer, detain any person who is suspected of violating any  
7 provision of this chapter. Such detention must comply with federal and state laws  
8 including the provisions of Title 17-A, section 107; ~~and~~

9 **Sec. 2. 8 MRSA §1003, sub-§1, ¶L**, as enacted by PL 2015, c. 499, §5, is  
10 amended to read:

11 L. Regulate, supervise and exercise general control over the operation of advance  
12 deposit wagering in the State; and

13 **Sec. 3. 8 MRSA §1003, sub-§1, ¶M** is enacted to read:

14 M. Regulate, supervise and exercise general control over sports wagering in the State  
15 under chapter 35.

16 **Sec. 4. 8 MRSA c. 35** is enacted to read:

17 **CHAPTER 35**

18 **REGULATION OF SPORTS WAGERING**

19 **§1201. Definitions**

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

22 **1. Amateur sports event.** "Amateur sports event" means a sport or athletic event in  
23 which 2 or more persons participate and in which the participants do not receive  
24 compensation in excess of actual expenses for their participation in the sport or athletic  
25 event.

26 **2. Applicant.** "Applicant" means a person who has submitted an application for a  
27 license under this chapter.

28 **3. Board.** "Board" means the Gambling Control Board established under section  
29 1002.

30 **4. Collegiate sports event.** "Collegiate sports event" means a sport or athletic event  
31 offered or sponsored by or played in connection with a public or private institution that  
32 offers educational services beyond the secondary level.

33 **5. Commercial track.** "Commercial track" has the same meaning as set forth in  
34 section 275-A, subsection 1.

- 1            **6. Director.** "Director" means the executive director of the board.
- 2            **7. Electronic platform.** "Electronic platform" means an online or electronic method  
3 for placing wagers and receiving winnings, including but not limited to a website or  
4 mobile application.
- 5            **8. Gaming facility.** "Gaming facility" means a casino licensed under chapter 31, a  
6 commercial track or off-track betting facility licensed under chapter 11 or an operator of  
7 high-stakes beano licensed under Title 17, chapter 13-A.
- 8            **9. Gross sports wagering income.** "Gross sports wagering income" means the total  
9 value of money, credits or things of value wagered with a sports wagering operator prior  
10 to the payment of winning wagers to winning bettors.
- 11           **10. Key executive.** "Key executive" means any executive of an applicant who has  
12 power to exercise a significant influence over decisions concerning the operation of  
13 sports wagering or the operation or distribution of sports wagering equipment or sports  
14 wagering services.
- 15           **11. Management services provider.** "Management services provider" means a  
16 person licensed under this chapter to conduct sports wagering on behalf of a gaming  
17 facility under a contract approved by the board.
- 18           **12. Net sports wagering income.** "Net sports wagering income" means the total  
19 value of money, credits or things of value wagered with a sports wagering operator after  
20 the payment of winning wagers to winning bettors less the amount of any required federal  
21 taxes and sports royalty fees actually paid by the sports wagering operator.
- 22           **13. Professional sports event.** "Professional sports event" means a sport or athletic  
23 event in which 2 or more persons participate and receive compensation in excess of actual  
24 expenses for their participation in the sport or athletic event.
- 25           **14. Prohibited sports event.** "Prohibited sports event" means a high school sport or  
26 athletic event, a minor league sport or athletic event and a collegiate sport or athletic  
27 event in which any Maine college team participates, regardless of where the event takes  
28 place. "Prohibited sports event" does not include an Olympic or international sports  
29 event in which persons under 18 years of age make up a minority of the participants.
- 30           **15. Shareholder.** "Shareholder" means the legal or beneficial owner of more than  
31 5% of the voting shares of a company.
- 32           **16. Sports event.** "Sports event" means a collegiate sports event, a professional  
33 sports event or an amateur sports event, including but not limited to a motor vehicle race  
34 or an Olympic or international sports competition or event and an electronic sports event,  
35 commonly referred to as "e-sports."
- 36           **17. Sports royalty fee.** "Sports royalty fee" means a fee imposed by a professional  
37 sports league related to a sports wagering operator's acceptance of wagers on sports  
38 events conducted by the professional sports league.

1           **18. Sports wagering.** "Sports wagering" means the acceptance of wagers on sports  
2 events or the performance of an individual athlete or participant in a single sports event or  
3 a combination of sports events by any system or method of wagering, including but not  
4 limited to wagers made in person and through an electronic platform. "Sports wagering"  
5 does not include the sale of pari-mutuel pools authorized under chapter 11, the operation  
6 of lotteries or the sale of lottery tickets authorized under chapter 14-A, the operation of  
7 slot machines and table games authorized under chapter 31 or the operation of fantasy  
8 contests authorized under chapter 33.

9           **19. Sports wagering equipment.** "Sports wagering equipment" means any  
10 mechanical, electrical or electronic device; electronic platform; machine; equipment or  
11 system; and related supplies used or consumed in the operation of sports wagering,  
12 including but not limited to a kiosk at which a person may make a sports wager.

13           **20. Sports wagering operator.** "Sports wagering operator" means:

14           A. A gaming facility licensed under this chapter to conduct sports wagering that in  
15 fact conducts sports wagering; or

16           B. A management services provider that, pursuant to a written contract approved by  
17 the board, conducts sports wagering on behalf of a gaming facility licensed under this  
18 chapter to conduct sports wagering.

19           **21. Sports wagering services.** "Sports wagering services" means goods or services  
20 provided to a sports wagering operator that are used directly in connection with sports  
21 wagering.

22           **22. Sports wagering supplier.** "Sports wagering supplier" means a person licensed  
23 under this chapter to provide sports wagering services and sports wagering equipment to  
24 a sports wagering operator.

25           **§1202. Powers and duties of board**

26           **1. Powers.** In administering and enforcing this chapter, the board, or the director as  
27 delegated by the board, may:

28           A. Regulate, supervise and exercise general control over sports wagering in the  
29 State;

30           B. Adopt rules the board determines necessary to administer and enforce this  
31 chapter;

32           C. Pursuant to section 1207, issue or deny any license application and limit, restrict,  
33 refuse to renew, suspend or revoke any license issued under this chapter;

34           D. Prescribe the manner for the collection of and collect all license fees and taxes  
35 due to the State under this chapter;

36           E. Investigate complaints regarding the conduct of sports wagering in violation of  
37 this chapter and rules adopted pursuant to this chapter;

1 F. Impose sanctions, penalties and costs of investigation and hearing against an  
2 applicant or licensee for violation of this chapter or rules adopted pursuant to this  
3 chapter; and

4 G. Conduct a financial audit of any licensee under this chapter, at any time, to ensure  
5 compliance with this chapter and the rules adopted pursuant to this chapter.

6 **2. Duties.** The board shall adopt rules governing the conduct of sports wagering in  
7 the State, which must, at a minimum, include the following:

8 A. The methods of operation of sports wagering, including but not limited to the  
9 prevention of any fraud or deception upon a person making a sports wager, permitted  
10 systems and methods of wagers, the use of credit and checks by persons making  
11 sports wagers, the maximum wager that may be accepted from any one person on a  
12 single sports event and the prevention of sports wagering on prohibited sports events;

13 B. The adoption of comprehensive house rules governing sports wagering  
14 transactions that, at a minimum, specify the types of prohibited sports events, the  
15 maximum wager that may be accepted from any one person on a single sports event,  
16 the amounts to be paid on winning wagers and the effect of sports event schedule  
17 changes. The rules adopted under this paragraph must require a sports wagering  
18 operator to submit the comprehensive house rules to the board for approval prior to  
19 accepting sports wagers and to conspicuously display the house rules in every facility  
20 in which sports wagers are accepted and on every electronic platform through which  
21 sports wagers may be made;

22 C. Minimum design, security and approval requirements for sports wagering  
23 facilities and sports wagering equipment, including but not limited to electronic  
24 platforms used to conduct sports wagering. The rules adopted under this paragraph  
25 must require that all sports wagers placed in a facility operated by the sports  
26 wagering operator, including but not limited to sports wagers made at a kiosk, be  
27 made within the sight and control of the sports wagering operator's employees;

28 D. Required methods for verifying the identity and age of a person who places a  
29 wager at a sports wagering facility or on an electronic platform and for verifying that  
30 the person making a wager is not prohibited from making a wager under section  
31 1210;

32 E. Minimum internal control standards for sports wagering operations, sports  
33 wagering equipment and sports wagering services, including but not limited to  
34 procedures for safeguarding assets and revenues; the recording of cash and evidence  
35 of indebtedness; and the maintenance of reliable records, accounts and reports of  
36 transactions, operations and events. The rules adopted under this paragraph must  
37 require all sports wagering operators to employ a system approved by the board to  
38 monitor suspicious activities, including abnormal wager volumes or swings in betting  
39 odds, and to report those suspicious activities to the board;

40 F. Procedures for the annual audit of the books and records of sports wagering  
41 operators by a certified public accountant in accordance with generally accepted  
42 accounting principles;

43 G. The method of collection of payments of taxes, fees and penalties;

1           H. The maintenance of daily records detailing gross sports wagering income and net  
2           sports wagering income and the content of and frequency with which reports of sports  
3           wagering activities and revenues must be made to the board;

4           I. Minimum requirements for a contract between a management services provider  
5           licensed under section 1204 and the gaming facility licensed under section 1203 on  
6           whose behalf the management services provider conducts sports wagering, including  
7           but not limited to a requirement that the contract be approved by the board prior to  
8           the conduct of sports wagering;

9           J. Establishment of a list of persons who are prohibited from placing a wager on a  
10          sports event, including but not limited to those persons who voluntarily request that  
11          their names be included on the list of prohibited persons. The rules adopted under  
12          this paragraph must define the standards for involuntary placement on the list and for  
13          removal from the list and include standards regarding persons who are career or  
14          professional offenders, as defined by rules of the board, or whose placement of sports  
15          wagers, in the opinion of the board, would be inimical to the interest of the State;

16          K. If the board determines that interstate wagers on sports events are prohibited  
17          under federal law, including the Unlawful Internet Gambling Enforcement Act of  
18          2006, 31 United States Code, Sections 5361 to 5367, as amended, procedures for  
19          preventing a person from making a wager on a sports event unless the person is  
20          physically present in the State at the time the wager is placed or imposing other  
21          requirements the board determines necessary to comply with federal law; and

22          L. The posting in a conspicuous location and in a consistent font in every facility  
23          where wagers may be made on sports events and on every approved electronic  
24          platform that accepts sports wagers the words "If you or someone you know has a  
25          gambling problem and wants help, call 1-800-GAMBLER" or comparable language  
26          approved by the board.

27          **3. Rulemaking.** Rules adopted by the board pursuant to this chapter are routine  
28          technical rules as defined in Title 5, chapter 375, subchapter 2-A. In adopting rules under  
29          this chapter, the board shall investigate or cause to be investigated the laws and rules  
30          governing sports wagering in other jurisdictions and the administration of those laws and  
31          rules. As far as practicable and to the extent consistent with this chapter, the rules  
32          adopted by the board must be consistent with the rules adopted in other jurisdictions.

33          **§1203. License to conduct sports wagering**

34                 **1. License required.** Except as provided in subsection 4, a person may not conduct  
35                 sports wagering in the State unless the person has been issued a license under this section.

36                 **2. Requirements for licensure; eligible gaming facilities.** The board may issue  
37                 licenses to conduct sports wagering to entities that meet the requirements of this section  
38                 and section 1207 and the criteria established by the board by rule.

39                 A. The board may issue up to 2 licenses under this section to casino operators  
40                 licensed under chapter 31.

41                 B. The board may issue licenses under this section to commercial tracks licensed  
42                 under chapter 11 that do not have a casino operator license under chapter 31.

1           C. The board may issue licenses under this section to off-track betting facilities  
2           licensed under chapter 11.

3           D. The board may issue licenses under this section to high-stakes beano facilities.

4           **3. Maintenance of casino, commercial track, off-track betting facility or high-**  
5           **stakes beano license.** To maintain eligibility for a license under this section, a gaming  
6           facility must at all times:

7           A. Maintain the licensee's casino operator license, commercial track license, off-  
8           track betting facility license or high-stakes beano license without lapse, suspension or  
9           revocation; and

10          B. Maintain a physical location that operates under the licensee's casino operator  
11          license, commercial track license, off-track betting facility license or high-stakes  
12          beano license.

13          **4. Not transferable; exception for contract with management services provider.**  
14          A license issued under this section is not transferable or assignable except that a gaming  
15          facility licensed under this section may authorize a management services provider to  
16          conduct sports wagering on behalf of the gaming facility through a written contract  
17          approved by the board.

18          **5. Fees.** The initial application fee for a license under this section is \$1,000. The  
19          renewal fee for a license under this section is \$1,000.

20          **6. Term of license; renewal.** A license issued under this section is effective for 10  
21          years unless revoked or suspended under section 1207. Upon proper application and  
22          payment of the required fee and in accordance with rules adopted by the board, the board  
23          may renew the license for a new 10-year term.

24          **7. Licensing of employees.** Employees of a gaming facility licensed under this  
25          section must be licensed in accordance with section 1206.

26          **§1204. Management services provider license**

27          **1. License required; written contract to be approved by board.** A person may  
28          not conduct sports wagering on behalf of a gaming facility licensed under section 1203  
29          unless the person is licensed as a management services provider by the board and the  
30          board approves the written contract between the management services provider and the  
31          gaming facility.

32          **2. Requirements for licensure.** The board may issue a management services  
33          provider license to an applicant that meets the requirements of this section and section  
34          1207 and the criteria established by the board by rule.

35          **3. Material change in written contract.** A management services provider must  
36          submit to the board any proposed material change to the written contract that has been  
37          approved by the board under section 1203, subsection 4. The proposed material change  
38          may not take effect unless the proposed material change is approved by the board. The  
39          board may not approve a proposal to transfer, assign, delegate or subcontract any portion

1 of the management services provider's responsibilities under the contract or any portion  
2 of the management services provider's right to compensation under the contract to any  
3 other person not licensed as a management services provider.

4 **4. License not transferable or assignable.** A license under this section is not  
5 transferable or assignable.

6 **5. Fees.** The initial application fee for a license under this section is \$1,000. The  
7 renewal fee for a license under this section is \$1,000.

8 **6. Term of license; renewal.** A license issued under this section is effective for one  
9 year unless revoked or suspended under section 1207. Upon proper application and  
10 payment of the required fee and in accordance with rules adopted by the board, the board  
11 may renew the license for a new one-year term.

12 **7. Surety bond.** The board may require each management services provider to  
13 execute a surety bond in an amount and form set forth in rules adopted by the board.

14 **8. Licensing of employees.** Employees of a management services provider must be  
15 licensed in accordance with section 1206.

#### 16 **§1205. Sports wagering supplier license**

17 **1. License required.** A person may not provide sports wagering services or sports  
18 wagering equipment in the State unless the person is licensed as a sports wagering  
19 supplier by the board.

20 **2. Requirements for licensure.** The board may issue a sports wagering supplier  
21 license to an applicant that meets the requirements of this section and section 1207 and  
22 the criteria established by the board by rule.

23 **3. Certification.** An applicant shall certify that the sports wagering services and  
24 sports wagering equipment the sports wagering supplier will offer, sell or distribute in the  
25 State meet the standards established by the board by rule under this chapter as  
26 demonstrated by the results of an examination conducted by an independent testing  
27 laboratory approved by the board. In lieu of the independent testing required by this  
28 subsection, the board may accept proof that the sports wagering services and sports  
29 wagering equipment have been approved in another jurisdiction that has been specifically  
30 determined by the board to have equivalent standards for sports wagering services and  
31 sports wagering equipment.

32 **4. Fees.** The initial application fee for a license under this section is \$1,000. The  
33 renewal fee for a license under this section is \$1,000.

34 **5. Term of license; renewal.** A license issued under this section is effective for one  
35 year unless revoked or suspended under section 1207. Upon proper application and  
36 payment of the required fee and in accordance with rules adopted by the board, the board  
37 may renew the license for a new one-year term.



1           6. Licensing of employees. Employees of a sports wagering supplier must be  
2 licensed in accordance with section 1206.

3           **§1206. Employee license**

4           1. License required. A person may not be employed by a gaming facility licensed  
5 under section 1203, a management services provider licensed under section 1204 or a  
6 sports wagering supplier licensed under section 1205 unless the person is licensed by the  
7 board.

8           2. Requirements for license. The board may issue an employee license to an  
9 applicant that meets the requirements of this section and section 1207 and the criteria  
10 established by the board by rule.

11           3. Fees. The initial application fee for a license under this section is \$50. The  
12 annual renewal fee for a license under this section is \$50. Fees required by this  
13 subsection may be paid by the gaming facility licensed under section 1203, management  
14 services company licensed under section 1204 or sports wagering supplier licensed under  
15 section 1205 that employs or intends to employ the applicant.

16           4. Term of license; renewal. A license issued under this section is effective for one  
17 year unless revoked or suspended under section 1207. Upon proper application and  
18 payment of the required fee and in accordance with rules adopted by the board, the board  
19 may renew the license for a new one-year term.

20           **§1207. License qualifications; disciplinary sanctions; appeal**

21           1. Application. An application for a license or for renewal of a license required  
22 under this chapter must be submitted on the form provided by the board. An application  
23 submitted to the board must, at a minimum, include the following:

24           A. The full name, current address and contact information of the applicant;

25           B. Disclosure of each key executive, officer, director, partner, shareholder, creditor,  
26 associate or owner of any legal or beneficial interest in the applicant other than a  
27 financial institution regulated by a state or federal agency that is not exercising  
28 control over the applicant;

29           C. Consent to permit the director to conduct a criminal history record check in  
30 accordance with section 1208 of the applicant and each person identified in paragraph  
31 B in accordance with procedures established by the board;

32           D. For the applicant and each person identified in paragraph B, a record of previous  
33 issuances and denials of or any adverse action taken against a gambling-related  
34 license or application under this Title or in any other jurisdiction. For purposes of  
35 this paragraph, "adverse action" includes, but is not limited to, a condition resulting  
36 from an administrative, civil or criminal violation, a suspension or revocation of a  
37 license or a voluntary surrender of a license to avoid or resolve a civil, criminal or  
38 disciplinary action; and

39           E. Any additional information required by the board by rule.

1           **2. Qualifications.** In addition to any other requirements imposed by this chapter or  
2 by rules adopted by the board, an applicant must satisfy the following qualifications for  
3 licensure under this chapter:

4           A. The applicant has completed the application form, promptly and truthfully  
5 complied with all information requests of the board and complied with any applicable  
6 rules adopted by the board;

7           B. The applicant has not knowingly or recklessly made a false statement of material  
8 fact in applying for a license under this Title or any gambling-related license in any  
9 other jurisdiction;

10          C. Neither the applicant nor any person required to be disclosed by the applicant  
11 under subsection 1, paragraph B is a member of the board, an employee of the board  
12 or an employee of the Gambling Control Unit within the Department of Public  
13 Safety;

14          D. The applicant has sufficient financial assets and responsibility to engage in the  
15 activities for which the license is required and to meet any financial obligations  
16 imposed by this chapter;

17          E. In the case of a gaming facility applying for a license to conduct sports wagering  
18 or a person applying for a management services provider license, the applicant has  
19 sufficient knowledge and experience in the business of sports wagering to effectively  
20 conduct sports wagering in accordance with this chapter and the rules and standards  
21 adopted under this chapter; and

22          F. The board determines that the applicant and any person required to be disclosed  
23 by the applicant under subsection 1, paragraph B is suitable and that the public  
24 interest is served by granting the applicant a license. In making a suitability  
25 determination under this paragraph, the board shall consider the applicant's or the  
26 person's background and moral character, including but not limited to the applicant's  
27 or the person's:

28           (1) Record of criminal convictions or civil violation adjudications in this State or  
29 another jurisdiction, including crimes or civil violations involving dishonesty,  
30 deception, misappropriation or fraud;

31           (2) Record of previous denials of or any adverse action taken against a  
32 gambling-related license or application under this Title or in any other  
33 jurisdiction. For purposes of this subparagraph, "adverse action" has the same  
34 meaning as in subsection 1, paragraph D; and

35           (3) Financial responsibility, including whether the applicant or person is current  
36 in filing all applicable tax returns and in the payment of all taxes, penalties and  
37 interest owed to the State, any other state or the United States Internal Revenue  
38 Service.

39           **3. Disciplinary sanctions.** The director or the director's designee shall investigate a  
40 complaint at the request of the board or on the director's own motion and, pursuant to  
41 rules adopted by the board, may suspend, refuse to renew or revoke a license issued

1 pursuant to this chapter upon finding that the applicant or a person required to be  
2 disclosed by the applicant under subsection 1, paragraph B:

3 A. Made a false statement on an initial application or application for renewal or has  
4 deliberately failed to disclose any information required by the board or the director;

5 B. Legally defaulted in the payment of any obligation or debt due to the State;

6 C. Violated any provision of this chapter or rules adopted pursuant to this chapter;

7 D. As provided in Title 5, section 10004, subsection 4-A, has been convicted of a  
8 crime that involves dishonesty or false statement; convicted of a crime for which  
9 incarceration for one year or more may be imposed; or convicted of a crime under  
10 Title 17-A, chapter 39; or

11 E. Does not satisfy the requirements for licensure under this chapter and the rules  
12 adopted by the board.

13 **4. Appeals.** A person aggrieved by a decision of the director in refusing to renew,  
14 suspending or revoking a license issued under this chapter or in imposing disciplinary  
15 sanctions prescribed by rules adopted pursuant to this chapter may appeal the decision to  
16 the board for a final decision. The director's initial decision stands until the board issues  
17 a final decision after hearing to uphold, modify or overrule the decision. In the case of an  
18 appeal to the board, the person must be afforded an opportunity for an adjudicatory  
19 hearing in accordance with the Maine Administrative Procedure Act.

20 A person aggrieved by a final decision of the board in refusing to issue a license under  
21 this chapter or in modifying or upholding a decision of the director imposing disciplinary  
22 sanctions under this subsection may appeal the board's decision to the Superior Court in  
23 accordance with Title 5, chapter 375, subchapter 7.

24 **§1208. Criminal history record check**

25 The director shall request a criminal history record check in accordance with this  
26 section for each applicant for initial licensure and each person required to be disclosed by  
27 the applicant for initial licensure under section 1207, subsection 1, paragraph B. The  
28 director may require a criminal history record check in accordance with this section from  
29 a licensee seeking to renew a license and from any person the licensee is required to  
30 disclose under section 1207, subsection 1, paragraph B as part of the license renewal  
31 application. A criminal history record check conducted pursuant to this section must  
32 include criminal history record information obtained from the Maine Criminal Justice  
33 Information System established in Title 16, section 631 and the Federal Bureau of  
34 Investigation.

35 **1. Record of public criminal history information required.** Criminal history  
36 record information obtained from the Maine Criminal Justice Information System  
37 pursuant to this section must include a record of public criminal history record  
38 information as defined in Title 16, section 703, subsection 8.

39 **2. Other state and national criminal history record information required.**  
40 Criminal history record information obtained from the Federal Bureau of Investigation

1 pursuant to this section must include other state and national criminal history record  
2 information.

3 **3. Fingerprinting.** An individual required to submit to a criminal history record  
4 check under this section shall submit to having the individual's fingerprints taken. The  
5 State Police, upon payment by the individual of the fee required under subsection 4, shall  
6 take or cause to be taken the individual's fingerprints and shall forward the fingerprints to  
7 the Department of Public Safety, Bureau of State Police, State Bureau of Identification.  
8 The State Bureau of Identification shall conduct the state and national criminal history  
9 record checks required under this section. Except for the portion of a payment, if any,  
10 that constitutes the processing fee for a criminal history record check charged by the  
11 Federal Bureau of Investigation, all money received by the State Police under this section  
12 must be paid to the Treasurer of State, who shall apply the money to the expenses  
13 incurred by the Department of Public Safety in the administration of this section.

14 **4. Fees.** The board shall by rule set the amount of the fee to be paid by an individual  
15 under subsection 3 for each criminal history record check required to be performed under  
16 this section.

17 **5. Availability of criminal history record information.** The subject of a Federal  
18 Bureau of Investigation criminal history record check may obtain a copy of the criminal  
19 history record check by following the procedures outlined in 28 Code of Federal  
20 Regulations, Sections 16.32 and 16.33. The subject of a state criminal history record  
21 check may inspect and review the criminal history record information pursuant to Title  
22 16, section 709.

23 **6. Use of criminal history record information.** State and national criminal history  
24 record information obtained by the director under this section may be used only for the  
25 purpose of screening an applicant for a license or a licensee under this chapter.

26 **7. Confidentiality.** All criminal history record information obtained by the director  
27 pursuant to this section is confidential, is for the official use of the director or board only  
28 and may not be disseminated by the director or board or disclosed to any other person or  
29 entity except as provided in subsection 5.

30 **8. Rules.** The board, after consultation with the Department of Public Safety,  
31 Bureau of State Police, State Bureau of Identification, shall adopt rules to implement this  
32 section.

33 **§1209. Licensee duties**

34 **1. Display of license.** A person licensed under section 1203, 1204 or 1205 shall  
35 publicly display the license in the person's place of business and make the license  
36 available for inspection upon request of the director, the director's designee or a law  
37 enforcement agency. Whenever a person licensed under section 1206 is engaged in any  
38 employment for which the license is required, the person shall have the license in the  
39 person's possession and make the license available for inspection upon request of the  
40 director, the director's designee or any law enforcement agency.

1           **2. Conduct of sports wagering.** In addition to any other requirements of this  
2 chapter or the rules adopted by the board, a sports wagering operator shall, as a condition  
3 of licensure:

4           A. Promptly report to the board any facts or circumstances related to the sports  
5 wagering operator's sports wagering business, including but not limited to the  
6 conduct of employees and patrons, that constitute a violation of state or federal law;

7           B. Conduct all sports wagering activities in a manner that does not pose a threat to  
8 the public health, safety or welfare of the citizens of the State;

9           C. Hold the board and the State harmless from and defend against all claims that may  
10 be asserted against the board and the State based on the sports wagering operator's  
11 conduct;

12           D. Maintain sufficient cash and supplies to conduct sports wagering;

13           E. Assist the board in maximizing sports wagering revenues; and

14           F. Promptly pay all taxes and fees as required by this chapter.

15           **§1210. Persons prohibited from making wagers on sports events**

16           A sports wagering operator may not accept a wager on a sports event from the  
17 following persons:

18           **1. Persons under 21 years of age.** A person who has not attained 21 years of age;

19           **2. Operators and employees.** The sports wagering operator and directors, officers  
20 and employees of the sports wagering operator;

21           **3. Regulatory staff.** A member of the board, an employee of the board or an  
22 employee of the Gambling Control Unit within the Department of Public Safety;

23           **4. Sports event participants.** An athlete or individual who participates or officiates  
24 in the sports event that is the subject of the wager;

25           **5. Sports team employees or owners.** A person who is an employee of or the legal  
26 or beneficial owner of an interest in a team that is participating in the sports event that is  
27 the subject of the wager;

28           **6. Prohibited persons.** A person on a list established by rule by the board under  
29 section 1202, subsection 2, paragraph J of persons who are prohibited from making  
30 wagers on sports events;

31           **7. Unidentified persons.** A person whose identity has not been verified by the  
32 sports wagering operator; and

33           **8. Persons prohibited by rule.** Any other person prohibited from making a sports  
34 wager in rules adopted by the board, including rules adopted under section 1202,  
35 subsection 2, paragraph K.

1           **§1211. Allocation of funds**

2           **1. Distribution to General Fund.** A sports wagering operator shall collect and  
3 distribute 5% of net sports wagering income to the board to be distributed to the  
4 Treasurer of State for deposit in the General Fund.

5           **2. Other distributions.** A sports wagering operator shall collect and distribute 5%  
6 of net sports wagering income to the board for distribution by the board as follows:

7           A. Twenty percent of the revenue collected under this subsection must be forwarded  
8 by the board to the Treasurer of State, who shall credit the money to the Sire Stakes  
9 Fund created in section 281;

10          B. Twenty percent of the revenue collected under this subsection must be forwarded  
11 by the board to the Treasurer of State, who shall credit the money to the Agricultural  
12 Fair Support Fund established in Title 7, section 91, except that, notwithstanding  
13 Title 7, section 91, subsection 2, paragraph A, no portion of the distribution required  
14 by this paragraph may be distributed to a commercial track;

15          C. Twenty percent of the revenue collected under this subsection must be forwarded  
16 by the board to the Treasurer of State, who shall credit the money to the fund  
17 established in section 298 to supplement harness racing purses;

18          D. Twenty percent of the revenue collected under this subsection must be distributed  
19 by the board to all commercial tracks, with each commercial track receiving a portion  
20 determined by multiplying that 20% times a fraction, the numerator of which is the  
21 minimum number of days of racing the commercial track is required by law to  
22 conduct annually in order to retain its commercial track license and the denominator  
23 of which is the sum of the number of days of racing all the commercial tracks are  
24 required to conduct in order to retain their commercial track licenses; and

25          E. Twenty percent of the revenue collected under this subsection must be distributed  
26 by the board to all off-track betting facilities licensed under 275-D so that each off-  
27 track betting facility receives the same amount.

28          **3. Failure to deposit funds.** A sports wagering operator who knowingly or  
29 intentionally fails to comply with this section commits a Class C crime. In addition to  
30 any other sanction available by law, the sports wagering operator's license to conduct  
31 sports wagering or management services provider license may be revoked by the board,  
32 the sports wagering business conducted by that sports wagering operator may be disabled  
33 and the proceeds and associated equipment of the sports wagering business may be  
34 confiscated by the board and are subject to forfeiture under Title 17-A, sections 959 and  
35 960.

36          **4. Due dates; late payments.** The board may adopt rules establishing the dates on  
37 which payments required by this section are due. All payments not remitted when due  
38 must be paid together with interest on the unpaid balance at a rate of 1.5% per month.

