



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
First Regular Session

HB 2772: fantasy sports betting; event wagering.

**Sponsor: Representative Weninger, LD 17
Committee on Commerce**

Overview

An emergency measure that establishes laws governing fantasy sports contests and event wagering.

History

A person is prohibited from engaging in any bet or wager with respect to the results of any race, sporting event, contest or other game of skill or chance except for amusement or regulated gambling. Regulated gambling is gambling conducted in accordance with a Tribal-State Gaming Compact or gambling that is operated and controlled in accordance with statute or rule of this state. ([Title 13, Chapter 33](#))

Provisions

Arizona State Lottery Commission (Commission) (Sec. 1)

1. Specifies the results of any gaming activity conducted pursuant to the 2021 Tribal-State Gaming Compact Amendments may not be used as a method of selecting winning tickets or shares by the Commission.
2. Allows the rules adopted by the Commission to include the licensing of authorized keno locations, including the persons that control the business or other activity conducted at a keno location.
3. Authorizes, upon the date on which specified conditions are met, the Commission to establish and operate a single electronic keno game and a single mobile draw game on a centralized computer system controlled by the lottery.
 - a) Prescribes certain restrictions in conducting an electronic keno and mobile draw game, including the frequency of keno game draws, number of authorized keno locations, play styles and wagering options a mobile draw game may offer and user interface depictions.
4. Defines *additional wagering facility, authorized keno location, electronic keno game, fraternal organization, mobile draw game, other event, sports event and veterans' organization*.

2021 Compact Trust Fund (Trust Fund) (Sec. 2)

5. Establishes the Fund for the exclusive purposes of mitigating impacts to Indian tribes from gaming authorized by the 2021 Gaming Compact Amendment and providing economic benefits to beneficiary tribes.
6. Specifies that the Trust Fund consists of contributions from Indian tribes designated in the 2021 Gaming Compact Amendment, excluding contributions made to the Arizona Benefits Fund.
7. Directs the Arizona Department of Gaming (ADG) to administer the Trust Fund.

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input checked="" type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
--	--	--	--------------------------------------

8. Requires the state treasurer to hold any monies in trust.
 - a) Allows the state treasurer to invest and divest Trust Fund monies
9. Specifies the beneficiaries of the Trust Fund.
10. Requires Fund monies to be disbursed exclusively for prescribed purposes and exempts the Fund from lapsing of appropriations.
11. Directs ADG to annually report, by September 30, to the Governor, Legislature and each tribe that has executed a 2021 gaming compact amendment that discloses all monies deposited in and disbursed from the Trust Fund during the prior FY.
12. Defines *2021 gaming compact amendment*.

Fantasy Sports Contests; Licensure (Sec. 3)

13. Requires a person to be licensed as a fantasy sports contest operator (Operator) in order to offer fantasy sports contests.
 - a) Allows a person to offer fantasy sports contests provided specified criteria are met.
14. Authorized an Indian tribe that conducts class III gaming to offer and conduct fantasy sports contests without an Operator license provided certain conditions are met.
15. Specifies ADG has jurisdiction over persons conducting a fantasy sports contest.
 - a) Allows ADG to adopt rules and prescribe penalties relating to conducting a contest.
16. Requires a person to submit an application, along with required documentation, to ADG for licensure.
 - a) Specifies an applicant must submit a current photograph, the required fee and a full set of fingerprints.
 - b) Delineates the required documentation an applicant must submit.
17. Permits ADG to require a holding or management company or any other person it considers sufficiently connected to the Operator to obtain a license if the license is necessary to preserve the integrity of contests and protect contest players.
18. Specifies the Operator license is valid for two years and maybe renewed biennially.
 - a) Permits ADG to investigate a licensee to ensure compliance.
 - b) Directs ADG to establish license and renewal fees.
 - i. Allows ADG to assess investigative costs if the cost of the licensure investigation exceeds the amount of the initial license or renewal fee.
19. Instructs ADG to conduct the necessary background investigation to determine if the applicant meets the qualifications for licensure.
 - a) Requires ADG to issue the license or deny the application after completion of the background investigation.
 - b) Stipulates if the application was denied, ADG must send a statement setting forth the grounds for denial to the applicant.

Operator Prohibitions, Procedures and Responsibilities

20. Prohibits an Operator from employing a person, or requires the termination of an employed person, if determined that the person meets specified criteria.
21. Requires an Operator, as a condition of licensure, to submit to and receive approval for, commercially reasonable procedures and internal controls intended to:
 - a) Prevent the Operator or any specified person from participating in a fantasy sports contest offered to the public;

- b) Prevent the employees of the Operator from sharing protected information with 3rd parties unless the information is made publicly available;
 - c) Prevent participants in an athletic event from participating in a fantasy sports contest that is based on the athletic event;
 - d) Establish the number of entries a single fantasy sports contest player may enter in a single contest and take reasonable steps to prevent the submission of more than allowable number of entries;
 - e) Identify each highly experienced player by attaching a symbol to the player's username;
 - f) Offer some fantasy sports contests that are open only to players other than highly experienced players;
 - g) Either:
 - i. Segregate the deposits in the fantasy sports contest player's accounts from operational money; or
 - ii. Maintain certain types of monetary reserves which the aggregate amount exceeds the total dollar value amount of deposits in the players' account;
 - h) Ensure compliance with applicable state and federal requirements to protect the privacy and online security of a contest players and the player's account; and
 - i) Otherwise ensure the integrity of fantasy sports contests.
22. Requires an Operator to comply with submitted and approved procedures and internal controls.
- a) Allows an Operator to make technical adjustments to its procedures and internal controls under certain conditions.
 - b) Asserts the submitted procedures are confidential and privileged.
23. Instructs an Operator, by July 1 of each year, to contract with a certified public accountant to perform an independent audit of the financial condition of the Operator's total operation for the previous FY to ensure compliance.
- a) Requires the Operator to submit the audit to the ADG.
 - b) Specifies the results of the audit are confidential and privileged.
24. Directs an Operator to prohibit an individual who is under the age of 21 from participating in a fantasy sports contest.
25. Outlines certain Operator prohibitions which include allowing the use of a script that provides a player with an unfair competitive advantage and using false, deceptive or misleading advertising that is not based on fact.
26. Prohibits a fantasy sports contest from being offered on, at or from any kiosk or machine open to public use and physically located in:
- a) A retail business location, bar, restaurant or other commercial establishment; or
 - b) A place of public accommodation, with an exception provided for a fraternal organization, veterans' organization or a licensed racetrack.
27. Provides an exception from certain prohibitions to a federally recognized Indian tribe operating under its Tribal-State Gaming Compact and any amendments.

Problem Gambling

28. Requires an Operator to develop a procedure to inform fantasy sports contest players who have a problem with gambling that help is available.
29. Directs ADG and an Operator to comply with specified requirements to allow problem gamblers to voluntarily exclude themselves from fantasy sports contests statewide.

30. Prohibits an Operator to pay any prize or award to a person who is on the ADG's self-exclusion list.
 - a) Requires any prize or award by such a person to be forfeited and donated to the ADG's division of problem gambling.
 - b) Asserts the ADG's self-exclusion list is not open for public inspection.
31. Directs an Operator to develop and maintain a program to mitigate and curtail compulsive play.

Arizona Department of Gaming

32. Directs ADG to adopt rules to implement Fantasy Sports Contest laws and outlines criteria to be included in the rules.

Operator Requirements

33. Requires a licensed Operator to report any change to ownership information within 30 days of the changes effective date.
 - a) Specifies ADG determines the license validity due to the change.
34. Directs the Operator to retain and maintain all required records for at least 3 years.
 - a) Requires the records be organized in a manner that enables the Operator to provide them to ADG.
 - b) Specifies the records are confidential and privileged.
35. Requires the Operator, prior to paying a person any prize or award, to identify and determine if the person has any tax liabilities or setoff obligations from the information provided by certain state agencies.
 - a) Stipulates any prize or award will be first used against such tax liabilities or obligations with any remaining monies awarded to the player.
 - b) Provides a priority list for instances of the person has multiple liabilities.

Revocation, Suspension or Denial of License

36. Prescribes conditions and criteria in which ADG may revoke, suspend or deny a license.
37. Asserts, by applying for a license, an applicant agrees to be subject to state jurisdiction as necessary to determine qualifications to hold the license.
38. Prohibits the applicant from withdrawing an application written permission and ADG from unreasonably withholding such permission.
39. Defines *career offender*, *career offender organization* and *occupational manner or context*.

Violations and Penalties

40. Proscribes and prevents licensure for the following:
 - a) Offering a Fantasy Sports Contest if unlicensed;
 - b) Knowingly falsifying statements on an application for an Operator license; and
 - c) Knowingly providing false testimony to ADG.
41. Establishes the following penalties for violations of the proscriptions:
 - a) For the first or second violation, class 3 misdemeanor; and
 - b) For a third or subsequent violation, class 1 misdemeanor.
42. Permits ADG, for violating Fantasy Sports Contest laws, to:
 - a) Issue a cease and desist order and to obtain injunctive relief against violators;
 - b) Impose a civil penalty of up to \$10,000; and
 - c) Suspend, revoke or restrict the license

Fees

43. Directs ADG to establish a fee for the privilege of operating a fantasy sports contest that is not less than the highest percentage of revenue share that an Indian tribe pays to the state.

- a) Requires an Operator to report to ADG and pay from its monthly fantasy sports contest adjusted revenues
 - b) Exempts certain individuals.
 - c) Specifies the fee is due by the 25th of each month for deposit into the Fantasy Sports Contest Fund (Contest Fund).
44. Assigns liability to Operator's who fail to pay the required fees and established a penalty for nonpayment of 5% per month with a maximum penalty of 25% of the amounts due.
- a) Specifies monies collected from penalties are deposited into the Contest Fund.

Fantasy Sports Contest Fund

45. Establishes the Contest Fund which consists of monies deposited from the fee established for the privilege of operating a fantasy sports contest.
- a) Specifies Contest Fund is administered by ADG and is subject to legislative appropriation.
46. Requires the State Treasurer to invest and divest monies in the Contest Fund and credit revenues to the Contest Fund.
47. Prohibits ADG from spending more than 10% of monies in the Contest Fund on its annual costs of regulation and enforcement.
- a) Requires ADG to transfer any remaining monies to the state GF.

Miscellaneous; Fantasy Sports Contest

48. Contains a conditional enactment clause regarding the effective date of Fantasy Sports Contests laws.
49. Defines pertinent terms relating to Fantasy Sports Contest laws.

Event Wagering (Sec. 4)

50. Directs ADG to enforce and supervise compliance with laws and rules relating to the regulation and control of event wagering.
- a) Permits ADG to adopt rules regarding event wagering.
51. Requires ADG to evaluate all applicants to determine suitability for issuing specified licenses, license renewals and to charge and collect all event wagering related fees.
52. Permits ADG to deny, revoke or suspend licenses or renewals and to deny requests to withdraw license applications.
53. Requires ADG to conduct background checks and to monitor and conduct periodic audits, of specified operators and providers.
54. Specifies hearings to be conducted pursuant to Uniform Administrative Hearing Procedures laws.
- a) Allows a party aggrieved by a final order or decision of the ADG to seek judicial review.
55. Instructs ADG to oversee event wagering and develop standards and procedures as prescribed by the director of ADG.
- a) Includes certain standards and procedures which ADG must establish and enforce.
56. Permits ADG to adopt rules authorizing event wagering operators to offset loss and manage risk using liquidity pools under certain conditions.

Event Wagering; Licensure

57. Prohibits a person from offering any activity connected to event wagering unless obtaining all necessary licenses.
58. Designates a wager placed by a participant that is received by an event wagering operator as gambling or gaming.

59. Outlines the applicability of Event Wagering laws.
 - a) Species Event Wagering statute does not apply to event wagering conducted exclusively on Indian lands when the individual who places the wager is physically present on said lands.
 - b) Prohibits an event wagering operator from accepting any wager from an individual who is physically on Indian lands.
60. Restricts a person from providing event wagering devices in a public place of accommodation to enable individuals to place wagers except as provided by Event Wagering statute.
 - a) Exempts an event wagering operator aggregating, providing or making available event wagering devices within its own facility.
61. Specifies that intermediate routing of electronic data does not determine the location or locations in which the wager is conducted.
62. Allows an event wagering operator to use more than one event wagering platform.
63. Stipulates only an event wagering operator may process, accept, offer or solicit wagers.
64. Mandates that the event wagering operator clearly display its or and affiliates brand on event wagering platforms it uses.
 - a) Allows the event wagering operator to have the brand of the platform that it uses be the name and logos of an event wagering platform provider if the platform also clearly displays the event wagering operator trademarks and logos or that of an affiliate.
65. Outlines the limitations on the number of event wagering operator licenses that may be issued.
66. Outlines the applicants eligible to receive an event wagering operator license.
67. Requires a person to apply for an event wagering license to ADG.
 - a) Delineates certain information to be included in the application.
68. Asserts any applicant for licensure agrees to be subject to state jurisdiction as necessary to determine qualifications to hold the license.
69. Specifies a certain event wagering operator licensee may offer event wagering through:
 - a) An event wagering facility within a five-block radius of the event wagering operator's sports facility; and
 - b) A mobile platform as specified by ADG.
70. Specifies an event wagering license is valid for five years provided the licensee submits an annual license fee, maintains certain qualifications and complies with governing laws and rules.
71. Allows a licensee to renew its license by applying to ADG.
 - a) Prohibits the renewal of a license if ADG determines the event wagering operator is in noncompliance with rules and laws.
 - b) Directs a licensee to submit the nonrefundable annual license and application fees with the renewal application.
72. Prohibits a person from obtaining more than one event wagering operator license.
73. Allows a management services provider to offer services to more than one event wagering operator.
74. Instructs ADG to conduct the necessary background investigation to determine if the applicant meets the qualifications for licensure.
 - a) Requires ADG to issue the license or deny the application after completion of the background investigation.

- b) Stipulates if the application was denied, ADG must send a statement setting forth the grounds for denial to the applicant.
- 75. Authorized ADG to conduct additional background investigations at any time while the license remains valid.
 - a) Specifies licensure does not create a right of employment or continued employment.
- 76. Prohibits an event wagering operator from employing a person, or requires the termination of an employed person, if determined that the person meets specified criteria.
- 77. Requires ADG, within 30 days after receipt of a complete application, to issue a license unless:
 - a) The background check discloses criminal history; or
 - b) Other grounds for disqualification are apparent on the face of the application.
- 78. Specifies ADG will review and approve or deny an application in accordance with statutory Hearing Procedures.
- 79. Requires the amount of the application fee be credited toward the licensee's license fee and the remission of the balance of the initial license fee to ADG by the licensee.
- 80. Directs fees collected from licensees be deposited in the Event Wagering Fund for paying the actual operating and administrative expenses incurred for event wagering.
- 81. Requires licensees to give ADG a written notice within 30 days after a material change is made to information provided in the license or renewal application.
- 82. Exempts Indian tribes operating event wagering exclusively on Indian lands from licensure requirements.
- 83. Provides requirements for displaying an event wagering license.
- 84. Requires ADG to keep all related data and documents used in the course of review or investigation of a license application or renewal confidential.
- 85. Prohibits the transfer of a license without prior ADG approval.
 - a) Directs ADG to ensure there is no gap in validity of licenses.

License Revocation, Suspension and Denial

- 86. Establishes criteria for the revocation, suspension or denial of a license.
- 87. Entitles an applicant or holder of license to a full hearing on any final action by ADG that can result in revocation, suspension or denial.
 - a) Mandates the hearing be conducted in accordance with statutory Hearing Procedures.
- 88. Allows ADG to summarily suspend any license in cases of an immediate threat to public health, safety or welfare.
- 89. Defines *career offender*, *career offender organization* and *occupational manner or context*.

Limited Event Wagering Operator Licenses

- 90. Allows an event wagering operator to partner with a racetrack enclosure or additional wagering facility for obtaining a limited event wagering license only at one specific physical location.
 - a) Caps, to a maximum of 10, limited event wagering licenses issued to authorize event wagering at 10 specific physical locations.
- 91. Prescribes the necessary information to be provided in a limited event wagering license application.
- 92. Outlines the conditions required to be met for the issuance of a limited event wagering license.

93. Specifies a limited event wagering license allows the licensee to conduct event wagering only in accordance with Event Waging law and rules.
94. Requires a limited event wagering licensee to be licensed prior to the commencement of operation and every two years thereafter.
 - a) Specifies the license must include each principal, primary management official, and key employees.
95. Directs ADG to deposit fees collected from licenses into the Event Wagering Fund.
96. Defines *additional wagering facility*.

Supplier License

97. Allows ADG to issue a supplier license to a qualified person for specified conditions.
98. Permits ADG to accept a license issued by another jurisdiction with similar licensure requirements and evidence of the applicant's satisfaction of those requirements.
99. Allows ADG to adopt rules that establish additional requirements for suppliers and equipment.
100. Requires an applicant to demonstrate that the equipment, system or services it offers to event wagering operators conform ADG standards and allows ADG to accept previous approval by another jurisdiction provided requisite evidence is available.
101. Directs the applicant to pay a nonrefundable license and application fee to ADG.
 - a) Specifies the license is valid for two years.
102. Instructs ADG to grant a renewal of a license provide the renewal applicant meets specified requirements.
 - a) Directs ADG to deposit the fees collected from licensees in the Event Wagering Fund.
103. Requires a supplier to submit a list of all equipment and services sold, delivered or offered to an event wagering operator to ADG.
 - a) Requires the equipment and services be tested and approved by an independent testing laboratory.
104. Permits an event wagering operator or a limited event wagering licensee to continue use of supplies acquired from a licensed supplier, even if that supplier's license has expired or is canceled unless an identified defect exists.

Management Services Provider License

105. Allows an event wagering operator to contract with a licensed management services provider (Provider) to conduct event wagering.
 - a) Permits a Provider to provide services to more than one licensed event wagering operator or licensed limited event operator.
106. Requires applicants for Provider licenses to meet all requirements and pay a nonrefundable license and application fee.
 - a) Allows ADG to adopt rules establishing additional requirements.
107. Permits ADG to accept a license issued by another jurisdiction with similar licensure requirements and evidence of the applicant's satisfaction of those requirements.
108. Directs ADG to deposit fees collect form licenses in the Event Wagering Fund.
109. Stipulates Provider licenses must be renewed every two years to licensees who continue compliance and pay the renewal fee.

License Fees

110. Instructs ADG to establish and collect fees for applications, initial licenses and renewals for:
 - a) Event wagering operators;
 - b) Limited event wagering operators;
 - c) Management services providers; and
 - d) Supplies.
111. Stipulates if actual costs incurred to investigate the background of an applicant exceed the associated fees paid, those costs may be assessed to the applicant.
 - a) Requires full payment prior to license issuance.
 - b) Permits ADG to require applicants to post a bond sufficient to cover anticipated costs of background investigations.

License Restrictions & Prohibitions

112. Prohibits specified persons or their immediate family from applying for or obtaining a license.
113. Establishes prohibited activity of a licensee.
114. Specifies first violation offense is a Class 3 misdemeanor and a second or subsequent offense is a Class 1 misdemeanor.

ADG; Financial Requirements

115. Instructs ADG to establish the following:
 - a) A bond amount in escrow and the amount of cash that must be kept on hand to ensure that adequate reserves exist for payouts;
 - b) Insurance requirements for licensees;
 - c) Minimum requirements by which licensees must exercise effective control over internal fiscal affairs;
 - d) Internal and independent audit requirements;
 - e) Financial report submission procedure;
 - f) Designation of confidential or proprietary information;
 - g) Systems for mitigation of fraud, cheating or money laundering; and
 - h) Post-employment restrictions necessary for the maintenance of integrity of the event wagering industry.
116. Allows the licensee to maintain the bond at any bank or other ADG approved entity.
 - a) Requires the licensee to be the beneficiary of any interest accrued on bonds.

Authorized Event Wagering

117. Asserts the operation of event wagering is lawful only when conducted in accordance with Event Wagering laws and rules.
118. Allows wagers on racing meetings or simulcasted races be made, offered or received through specified means.
119. Instructs each event wagering operator to adopt and adhere to a written, comprehensive policy that outlines House rules for accepting of wagers and payouts.
 - a) Stipulates the policy and rules be approved by ADG and be readily available to bettors.
120. Directs the Department adopt rules regarding:
 - a) Governing the acceptance of wagers and payouts in excess of \$10,000; and
 - b) Reporting requirements that comply with the federal Bank Secrecy Act and Patriot Act and laws and rules governing reporting suspicious wagers.
121. Deems wagers placed in accordance with Event Wagering statutes to be an enforceable contract under law.

122. Requires event wagering operators to exclusively use official league data for live betting unless the operator can demonstrate that the governing body of a sport or sports league, organization or association or other entity cannot provide a feed of such data.

Prohibited Wagers

123. Prohibits wagering on:
- a) Injuries, penalties and other types of event wagering that are contrary to law; and
 - b) Individual actions, events, occurrences or nonoccurrences to be determined during a collegiate sports event, including the performance or nonperformance of a team or individual participant during a sports event.
 - i. Stipulates this does not prohibit wagers on the overall outcome of a collegiate sports events or seasonal awards based on a player's cumulative play.
124. Restricts an event wagering operator to offer only parlay and proposition bets of the type or category prescribed by ADG.
- a) Requires ADG to prescribe the types of categories of parlay and proposition bets that may be offered.
125. Allows an event wagering operator or specified entity to submit to ADG a written request to prohibit a type or form of event wagering or a category of persons from wagering, there is a belief that such event wagering is contrary to public policy, unfair, or perceived to degrade the integrity of the industry.
- a) Stipulates such a request provides a reasonable amount of time for ADG to conduct due diligence before decision-making.
126. Directs ADG to review prohibitive requests to determine if good cause exists to grant the request.
- a) Requires ADG to see input from licensee unless the emergency nature does not provide sufficient time.
 - b) Directs ADG to respond prior to the start of the event, or as soon as practicable.

Reporting Prohibited or Suspicious Conduct

127. Requires all licensees to immediately report to ADG and the relevant sports governing body any information relating to outlined suspicious or prohibited activity.
128. Directs licensees to report to ADG, in real time and at the account level, information regarding a bettor, and the amount, type, time, location and outcome of the bet.
- a) Specifies such information must be submitted in the form and manner established by ADG.
129. Requires licensees to share real-time information for wagers on sports events if the sports governing body has notified ADG that such information is necessary and desirable.
- a) Allows such information to be shared in anonymized form and restricts use to integrity purposes.
130. Instructs ADG and licensees to make commercially reasonable efforts to cooperate with investigations.
131. Requires ADG to establish a hotline or other method that allows any person to confidentially report information about prohibited conduct.
132. Directs ADG to investigate allegations and refer to prosecutorial entities prohibited conduct.
133. Asserts that the identity of any reporting person shall remain confidential unless disclosure is authorized by that person or referral to a prosecutorial entity.

134. Requires ADG to notify the appropriate sport's governing body if it receives a complaint of prohibited conduct by an athlete.
135. Allows ADG to provide or facilitate access to information regarding betting and data files relating to wagers upon notification by a sports governing body of an official investigation in conduct into the a person or persons who are prohibited from participating in wagering or are believed to have taken action that affects the integrity or perceived integrity of the sport it governs.
 - a) Specifies any information obtained by a sports governing body be kept confidential unless the information has been made public through criminal proceeding or by court order.

Event Wagering Fund

136. Directs ADG to establish a fee for the privilege of operating event wagering that is not less than the highest percentage of revenue share that an Indian tribe pays to the state.
 - a) Grants the event wagering operator the option to choose either the cash accrual or modified accrual basis method for accounting for purposes of calculating the amount of the fee owed.
 - b) Specifies the fee is due by the 25th day of the month following the calendar month in which the adjusted gross event wagering receipts were received and the obligation was due.
137. Establishes the Event Wagering Fund which is administered by ADG.
 - a) Requires ADG to deposit on monies collected pursuant to Event Wagering law into the fund.
 - b) Transfers all remaining monies in the fund on the 25th day of each month to the state GF.
 - c) Permits the state treasure to invest and divest monies in the fund and credits revenues to the fund.
138. Prohibits ADG from spending more than 10% of monies on the annual costs of regulation and enforcement and reverts remaining monies to the state GF.

Problem Gambling

139. Requires a licensee to develop a procedure to inform players who have a problem with gambling that help is available.
140. Directs ADG and a licensee to comply with specified requirements to allow problem gamblers to voluntarily exclude themselves from event wagering statewide.
141. Prohibits event wagering operators, commercial sports license holders and limited event wagering operators to pay any prize or award to a person who is on the ADG's self-exclusion list.
 - a) Requires any prize or award by such a person to be forfeited and donated to the ADG's division of problem gambling.
 - b) Asserts the ADG's self-exclusion list is not open for public inspection.
142. Directs event wagering operators, commercial sports license holders and limited event wagering operators to develop and maintain a program to mitigate and curtail compulsive play.
143. Requires the event wagering facility operator, prior to paying a person any jackpot, prize or award, to identify and determine if the person has any tax liabilities or setoff obligations from the information provided by certain state agencies.
 - a) Stipulates any prize or award will be first used against such tax liabilities or obligations with any remaining monies awarded to the player.

- b) Provides a priority list for instances of the person has multiple liabilities.
144. Specifies statute relating to problem gambling does not waive an Indian tribe's sovereign immunity from a suit by a person listed and whose winnings are withheld for an identified obligation.

Miscellaneous; Event Waging

145. Specifies Event Wagering law does not prohibit a sports governing body from entering into agreements with licensees in which the sports governing body may share in the amount bet from sports wagering.
- a) Specifies the sports governing body is not required to obtain a license to lawfully accept such amounts.
146. Directs ADG to prepare and submit, by September 1, to the executive and legislature an annual report containing the following:
- a) Number of active Licensees by type;
 - b) Aggregate Gross and Net Revenue of all Licensees;
 - c) Number of investigations conducted; and
 - d) Financial impact of the event wagering industry.
 - i. Allows the report to be submitted with other information required to be submitted and maybe submitted electronically.
147. Instructs a licensed event wagering operator and management services provider, by July 1 of each year, to contract with a certified public accountant to perform an independent audit on the financial condition of the operator's and provider's total operation for the previous FY to ensure compliance.
- a) Requires audit results be submitted to the ADG within a specified amount of time.
 - b) Specifies the results of the audit are confidential and privileged.
148. Defines pertinent terms relating to Event Wagering laws.
149. Contains a conditional enactment clause regarding the effective date of Event Wagering laws.

Miscellaneous; Further Provisions

150. Includes a definition for *event wagering* and *fantasy sports contest* within the Gambling statutes. (Sec. 5)
151. Excludes fantasy sports contests from the definition of *gambling, gamble or wager*. (Sec. 5)
152. Includes *event wagering that is conducted pursuant to Event Wagering statute as regulated gambling*. (Sec. 5)
153. Exempts, from statute relating to prohibitions on betting and wagering, persons and conducts as prescribed in Event Wagering statutes. (Sec. 6)
154. Exempts ADG from rule making for one year after the effective date of this Act. (Sec. 7)
155. Contains a legislative intent clause. (Sec. 8)