

§ 18C-907. Sports wagering supplier license.

(a) The Commission may issue a sports wagering supplier license to a sports wagering supplier.

(b) At the request of an applicant for a sports wagering supplier license, the Commission may issue a provisional sports wagering supplier license to the applicant so long as the applicant has submitted a completed application in accordance with this section. A provisional license issued under this subsection expires on the date provided by the Commission.

(c) A person may apply to the Commission for a sports wagering supplier license as provided in this Article.

(d) The applicant shall complete and submit an application on a form prescribed by the Commission and a licensing fee of thirty thousand dollars (\$30,000). If the application is denied, the licensing fee shall be refunded, minus five percent (5%) of the licensing fee which shall be used by the Commission to offset associated expenses in reviewing the application. In the application, the Commission shall require applicants to disclose the identity of each of the following:

- (1) The applicant's principal owners who directly own ten percent (10%) or more of the applicant.
- (2) Each holding, intermediary, or parent company that directly owns fifteen percent (15%) or more of the applicant.
- (3) The applicant's board appointed CEO and CFO, or the equivalent as determined by the Commission.
- (4) Any other information the Commission may deem necessary.

(e) The Commission shall conduct a background investigation on the applicant, key persons of the applicant, and current employees of the applicant, as deemed necessary by the Commission. The background investigation shall include a credit history check, a tax record check, and a criminal history record check. In the event an applicant and its key persons have had a completed criminal history record check in the 12 months prior to the application, the Commission may, in its discretion, accept the results of that prior criminal history record check upon submission of an affidavit that there has been no change in criminal history since the prior criminal history record check in this or any other state. The Commission may not award a license if the applicant or a key person of the applicant has been convicted of a felony or any gambling offense in any state or federal court of the United States within 10 years of application or renewal.

(f) An applicant for licensure and any key person deemed necessary by the Commission shall consent to a criminal history record check and shall submit all necessary fingerprints. Refusal to consent to a criminal history record check may constitute grounds for the Commission to deny licensure.

(g) The Commission shall review and issue licenses to qualified applicants within 60 days of receipt of a completed application. The Commission may extend the review period for an additional 30 days if the background investigation is outstanding.

(h) In disclosing the principal owners of the applicant, the following shall apply:

- (1) Governmental created entities, including statutory authorized pension investment boards and Canadian Crown corporations, that are direct or indirect shareholders of an applicant shall be waived in the applicant's disclosure of ownership and control as determined by the Commission.
- (2) Investment funds or entities registered with the Securities and Exchange Commission, including Investment Advisors and entities under the management of the Securities and Exchange Commission, that are direct or indirect shareholders of the applicant shall be waived in the applicant's disclosure of ownership and control as determined by the Commission.

(i) A sports wagering supplier license or a provisional sports wagering supplier license shall be sufficient to offer the sports wagering services under this Article.

(j) A person holding a sports wagering supplier license or its equivalent, on the basis of comparable licensing requirements issued to that person by a proper authority by another state or territory of the United States or the District of Columbia if that jurisdiction's requirements for licensure, certification, or registration are substantially equivalent to or exceed the requirements of this State, and who, in the opinion of the Commission otherwise meets the requirements of this Article based upon verified evidence may, upon application, be licensed as a sports wagering supplier with or without further examination, as determined by the Commission.

(k) Each sports wagering supplier shall promptly report all criminal or disciplinary proceedings commenced against that sports wagering supplier in connection with its operations to the Commission. Each sports wagering supplier shall promptly report to the Commission all changes in key persons, and all new key persons shall consent to a background investigation.

(l) Notwithstanding Chapter 132 of the General Statutes or any other provision of law, except for G.S. 18C-916(b), only the following documents under this section shall be a public record, with respect to each applicant and each sports wagering supplier:

- (1) The name, address, and sports wagering platform.
- (2) The name of all key persons.
- (3) The granting or denial of the application.

(m) No sports wagering supplier license is assignable or transferable without approval of the Commission and payment of the licensing fee in accordance with this section. (2023-42, s. 1.)