

§ 18C-1005. Licensure of ADW licensees.

(a) It shall be unlawful for any person to offer or accept advance deposit account wagers in this State unless such person is an ADW licensee.

(b) Any person desiring to accept, or offer to accept, advance deposit account wagers as an ADW licensee in this State shall submit an application on a form prescribed by the Commission along with an application fee of one million dollars (\$1,000,000).

(c) The application shall contain the following information:

- (1) The name and address of the applicant.
- (2) If the applicant is a business entity, the state of the entity's incorporation or organization, the full name and address of each officer or director, and, if a foreign business entity, whether it is qualified to do business in this State.
- (3) The name and address of each shareholder, member, or partner of the business entity constituting a majority of the ownership and each person who has contracted for a pecuniary interest in the applicant that individually or collectively constitute majority ownership.
- (4) A description of the means through which pari-mutuel wagers will be offered, accepted, and processed.
- (5) Whether the annual fee required under G.S. 18C-1010 will be paid on a fiscal year basis or a calendar year basis; and if on a fiscal year basis, the dates of the fiscal year.
- (6) Information relating to the financial responsibility of the applicant as the Commission deems necessary.
- (7) Any other information the Commission may deem necessary.

(d) The Commission shall conduct a background investigation on the applicant and any person required to be disclosed on the application; such individuals shall consent to a background check. 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 person required to be disclosed on the application has been convicted of a felony or any gambling offense in any state or federal court of the United States within 10 years of the application.

(e) The Commission shall grant or deny all applications under this section. Licenses issued pursuant to this section are valid for five years. To renew an existing license, an ADW licensee shall submit an application in accordance with this section no later than 60 days prior to the expiration of the current license, along with the application fee, to the Commission.

(f) The Commission shall review each ADW licensee annually to ensure that each licensee is acting in accordance with this Article and any rules adopted by the Commission pursuant to this Article. If the Commission determines that an ADW licensee is in violation of this Article or any rules adopted pursuant to this Article, the Commission may suspend or revoke the license of the ADW licensee.

(g) A person holding an ADW licensee 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 an ADW licensee with or without further examination, as determined by the Commission. (2023-42, s. 3.)