

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

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**HOUSE BILL 929  
PROPOSED COMMITTEE SUBSTITUTE H929-PCS10648-BB-17**

Short Title: Gaming Commission.

(Public)

Sponsors:

Referred to:

April 22, 2019

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH THE NORTH CAROLINA GAMING COMMISSION AND TO  
3 AUTHORIZE THE REGULATION OF FANTASY SPORTS LEAGUES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.(a)** Recodification; Name Change; Technical and Conforming  
6 Changes. – The Revisor of Statutes shall recodify Part 2 of Article 37 of Chapter 14 of the General  
7 Statutes, Bingo and Raffles, and Article 68 of Chapter 143 of the General Statutes, Regulation of  
8 Boxing, and Chapter 18C of the General Statutes, North Carolina State Lottery, into a new  
9 Chapter 18E of the General Statutes to be entitled "Gaming," as enacted by Section 2 of this act.  
10 The Revisor may also recodify into the new Chapter 18E of the General Statutes other existing  
11 statutory laws relating to gaming that are located elsewhere in the General Statutes as the Revisor  
12 deems appropriate. The new Chapter 18E of the General Statutes shall have the following  
13 structure:

14 **SUBCHAPTER I. GENERAL PROVISIONS.**

15 Article 1. Gaming Commission.

16 Article 2. Commission Employees.

17 **SUBCHAPTER II. LOTTERY.**

18 Article 5. General Provisions and Definitions.

19 Article 6. Operation of Lottery.

20 Article 7. Lottery Game Retailers.

21 Article 8. Lottery Contractors.

22 Article 9. North Carolina State Lottery Fund.

23 Article 10. Miscellaneous.

24 **SUBCHAPTER III. BINGO AND RAFFLES.**

25 Article 15. Bingo.

26 Article 16. Raffles.

27 **SUBCHAPTER IV. REGULATION OF BOXING.**

28 Article 20. General Provisions and Definitions.

29 Article 21. Boxing Advisory Commission.

30 Article 22. Regulation of Boxing.

31 **SUBCHAPTER V. FANTASY SPORTS.**

32 Article 25. General Provisions and Definitions.

33 Article 26. Regulation of Fantasy Sports.

34 **SECTION 1.(b)** When recodifying pursuant to this section, the Revisor is authorized  
35 to change all references to the North Carolina State Lottery Commission, State Bureau of  
36 Investigation, and Alcohol Law Enforcement Branch of the Department of Public Safety, as



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1 appropriate, to instead be references to the North Carolina Gaming Commission. The Revisor  
2 may separate subsections of existing statutory sections into new sections and, when necessary to  
3 organize relevant law into its proper place in Chapter 18E of the General Statutes, as amended  
4 by this act, may rearrange sentences that currently appear within subsections. The Revisor may  
5 modify statutory citations throughout the General Statutes, as appropriate, and may modify any  
6 references to statutory divisions, such as "Chapter," "Subchapter," "Article," "Part," "section,"  
7 and "subsection"; adjust the order of lists of multiple statutes to maintain statutory order; correct  
8 terms and conform names and titles changed by this act; eliminate duplicative references to the  
9 Lottery Commission, State Bureau of Investigation, or Alcohol Law Enforcement Branch of the  
10 Department of Public Safety that result from the changes authorized by this section; and make  
11 conforming changes to catch lines and references to catch lines. The Revisor may also adjust  
12 subject and verb agreement and the placement of conjunctions. The Revisor shall consult with  
13 the North Carolina State Lottery Commission, State Bureau of Investigation, and Alcohol Law  
14 Enforcement Branch of the Department of Public Safety on this recodification.

15 **SECTION 2.** The General Statutes are amended by adding a new Chapter to read:

16 **"Chapter 18E.**

17 **"Gaming.**

18 **"Article 1.**

19 **"Gaming Commission.**

20 **"§ 18E-100. Gaming Commission established.**

21 There is created the North Carolina Gaming Commission to establish and oversee the  
22 operation of gaming in this State. The Commission shall be located in the Department of  
23 Commerce for budgetary purposes only; otherwise, the Commission shall be an independent,  
24 self-supporting, and revenue-raising agency of the State. The Commission shall reimburse other  
25 governmental entities that provide services to the Commission.

26 **"§ 18E-101. Reserved.**

27 **"§ 18E-102. Definitions.**

28 As used in this Chapter, unless the context requires otherwise:

29 (1) "Commission" means the North Carolina Gaming Commission.

30 (2) "Commissioner" means a member of the Commission.

31 (3) "Director" means the person selected by the Commission to be the chief  
32 administrator of the North Carolina Gaming Commission.

33 (4) "Person" means any natural person or corporation, limited liability company,  
34 trust, association, partnership, joint venture, subsidiary, or other business  
35 entity.

36 **"§ 18E-103 through 18E-111. Reserved.**

37 **"§ 18E-112. Commission membership; appointment; selection of chair; vacancies;**  
38 **removal; meetings; compensation.**

39 (a) The Commission shall consist of nine members, five of whom shall be appointed by  
40 the Governor, two of whom shall be appointed by the General Assembly upon the  
41 recommendation of the President Pro Tempore of the Senate, and two of whom shall be appointed  
42 by the General Assembly upon the recommendation of the Speaker of the House of  
43 Representatives. Commissioners may be removed by the appointing authority for cause.

44 (b) The Governor shall select the chair of the Commission from among its membership,  
45 who shall serve at the pleasure of the Governor.

46 (c) Of the initial appointees of the Governor, two members shall serve a term of one year,  
47 two members shall serve a term of two years, and one member shall serve a term of three years.  
48 All succeeding appointments shall be for terms of four years. Members shall not serve for more  
49 than two successive terms.

50 (d) Vacancies shall be filled by the appointing authority for the unexpired portion of the  
51 term in which that vacancy occurs.

1       (e)     The Commission shall meet at least quarterly upon the call of the chair. A majority of  
2 the total membership of the Commission shall constitute a quorum.

3       (f)     Members of the Commission shall receive per diem, subsistence, and travel as  
4 provided in G.S. 138-5 and G.S. 138-6.

5 **"§ 18A-113. Qualifications of Commissioners.**

6       (a)     Of the members of the Commission, at least one member shall have a minimum of  
7 five years' experience in law enforcement. Notwithstanding subsection (e) of this section, a  
8 member serving in this slot may be an elected law enforcement official.

9       (b)     Of the members of the Commission, at least one member shall be a certified public  
10 accountant.

11       (c)     Of the members of the Commission, at least one member shall have retail sales  
12 experience as an owner or manager.

13       (d)     In making appointments to the Commission, the composition of the State with regard  
14 to geographic representation and gender, ethnic, racial, and age composition shall be considered.

15       (e)     A member of the Commission may not hold an elective office or be a candidate for  
16 an elective office. If any Commissioner takes any of the following actions, that Commissioner  
17 vacates office as a member of the Commission and the vacancy shall be filled as provided by  
18 G.S. 18E-112:

19           (1)     Files a notice of candidacy under G.S. 163A-972 through G.S. 163A-978 or a  
20 petition under G.S. 163A-980.

21           (2)     Is nominated to fill a vacancy among party nominees under G.S. 163A-987 or  
22 G.S. 163A-988.

23           (3)     Files a petition as an unaffiliated candidate under G.S. 163A-1005.

24           (4)     Files a declaration of intent as a write-in candidate under G.S. 163A-1006.

25           (5)     Is nominated by party convention under G.S. 163A-953.

26 **"§ 18E-114. Reserved.**

27 **"§ 18E-115. Meetings; records.**

28       (a)     Meetings of the Commission shall be subject to Article 33C of Chapter 143 of the  
29 General Statutes. A majority of the total membership of the Commission shall constitute a  
30 quorum. No action may be taken except by a majority vote at a meeting at which a quorum is  
31 present.

32       (b)     Records. – Except as provided in this Chapter, records of the Commission shall be  
33 open and available to the public in accordance with Chapter 132 of the General Statutes.  
34 Personnel records of the Commission are subject to Article 7 of Chapter 126 of the General  
35 Statutes.

36 **"§ 18E-116. Reserved.**

37 **"§ 18E-117. Powers and duties of the Commission.**

38       (a)     The Commission shall have the following powers and duties:

39           (1)     To regulate and oversee gaming, as authorized by the General Assembly.

40           (2)     To prescribe the nature of gaming advertising which shall comply with the  
41 following:

42               a.     All advertising shall include resources for responsible gaming  
43 information.

44               b.     No advertising may intentionally target specific groups or economic  
45 classes.

46               c.     No advertising may be misleading, deceptive, or present any lottery  
47 game as a means of relieving any person's financial or personal  
48 difficulties.

49               d.     No advertising may have the primary purpose of inducing persons to  
50 participate in any gaming.

- 1           (3)    To conduct a background investigation, including a criminal history record  
2           check, of applicants for the Director of the Commission, which may include a  
3           search of the State and National Repositories of Criminal Histories based on  
4           the fingerprints of applicants.
- 5           (4)    To charge a fee, not to exceed the cost of the criminal record check, of the  
6           licensees and contractors.
- 7           (5)    To specify the authority, compensation, and role of the Director, and to specify  
8           the authority, selection, and role of the other employees of the Commission,  
9           in accordance with Article 3 of this Chapter.
- 10          (6)    To approve and authorize the Director to enter into agreements with other  
11          states to operate and promote multistate gaming operations consistent with the  
12          purposes set forth in this Chapter.
- 13          (7)    To specify the number and value of prizes for winning tickets or shares in  
14          lottery games, including cash prizes, merchandise prizes, prizes consisting of  
15          deferred payments or annuities, and prizes of tickets or shares in the same  
16          lottery game or other lottery games.
- 17          (8)    To adopt rules necessary to carry out the provisions of this Chapter in  
18          accordance with Chapter 150B of the General Statutes.
- 19          (9)    Any other powers necessary for the Commission to carry out its  
20          responsibilities under this Chapter.

21          (b)    Article 15 of Chapter 143B of the General Statutes shall not apply to the Commission.

22    **"§ 18E-118. Reserved.**

23    **"§ 18E-119. Reports.**

24          The Commission shall send quarterly and annual reports on the operations of the Commission  
25          to the Governor, State Treasurer, and to the General Assembly. The reports shall include  
26          complete statements of revenues, prize disbursements, expenses, net revenues, and all other  
27          financial transactions involving funds collected or disbursed under this Chapter, including the  
28          occurrence of any audit.

29    **"§ 18E-120. Reserved.**

30    **"§ 18E-121. Audits.**

31          (a)    The State Auditor shall conduct annual audits of all accounts and transactions of the  
32          Commission and any other special postaudits the State Auditor considers to be necessary.

33          (b)    Biennially, at the beginning of the calendar year, the Commission shall engage an  
34          independent firm experienced in security procedures, including computer security and systems  
35          security, to conduct a comprehensive study and evaluation of all aspects of security in the  
36          operation of the Commission. At a minimum, such a security assessment should include a review  
37          of network vulnerability, application vulnerability, application code review, wireless security,  
38          security policy and processes, security/privacy program management, technology infrastructure  
39          and security controls, security organization and governance, and operational effectiveness.

40          (c)    The portion of the security audit report containing the overall evaluation of the  
41          Commission and of lottery games in terms of each aspect of security shall be presented to the  
42          Commission, to the Governor, and to the General Assembly.

43          (d)    The portion of the security audit report containing specific recommendations shall be  
44          confidential, shall be presented only to the Director and to the Commission, and shall be exempt  
45          from Chapter 132 of the General Statutes. The Commission may hear the report of such an audit,  
46          discuss, and take action on any recommendations to address that audit under  
47          G.S. 143-318.11(a)(1).

48          (e)    Biennially, at the end of the fiscal year, in addition to the audits required by this  
49          section, the Commission shall engage an independent auditing firm that has experience in  
50          evaluating the operation of lotteries to perform an audit of the lottery as operated under

1 Subchapter II of this Chapter. The results shall be presented to the Commission, to the Governor,  
2 and to the General Assembly.

3 (f) In addition to the other audits required by this section, the Commission may engage  
4 an independent auditing firm that has experience in evaluating the operation of various gaming  
5 activities to perform an audit of various games under this Chapter.

6 **"§ 18E-122 through 124. Reserved.**

7 **"§ 18E-125. Enforcement.**

8 (a) The Commission may apply to the superior court for an injunction to restrain any  
9 person from violating the provisions of this Chapter or its rules. Actions under this section may  
10 be brought in Wake County or the county where the licensee maintains its principal place of  
11 business or the county where the alleged acts occurred.

12 (b) Whenever the Commission has reasonable cause to believe that a violation of any of  
13 the provisions of this Chapter may have occurred, the Commission may, upon its own motion or  
14 upon complaint of any person, investigate to determine whether a violation has occurred.

15 (c) At any time during normal business hours, the Commission or the Department of  
16 Public Safety, Alcohol Law Enforcement Branch, may inspect an establishment of a licensee.  
17 The inspection may include the examination of records, equipment, and proceeds related to the  
18 operation.

19 "Article 2.

20 "North Carolina Gaming Commission Employees.

21 **"§ 18E-201. Selection of the Director; powers and duties.**

22 (a) The Commission shall select a Director to operate and administer the functions of the  
23 Commission and to serve as the Secretary of the Commission. Except as to the provisions of  
24 Article 6 and Article 7 of Chapter 126 of the General Statutes, the Director shall be exempt from  
25 the North Carolina Human Resources Act.

26 (b) The Director shall have the following powers and duties, under the supervision of the  
27 Commission:

28 (1) To provide for the reporting of payment of prizes to State and federal tax  
29 authorities and for the withholding of State and federal income taxes from  
30 lottery game prizes as provided in State and federal law.

31 (2) To conduct a background investigation, including a criminal history record  
32 check, of applicants for employment with the Commission, licensees, and  
33 contractors, which may include a search of the State and National Repositories  
34 of Criminal Histories based on the fingerprints of applicants.

35 (3) To set the salaries of all Commission employees, subject to the approval of  
36 the Commission. Except for the provisions of Article 6 and Article 7 of  
37 Chapter 126 of the General Statutes, all employees of the Commission shall  
38 be exempt from the North Carolina Human Resources Act.

39 (4) To enter into contracts upon approval by the Commission.

40 (5) To provide for the security and accuracy in the operation and administration  
41 of the Commission, including examining the background of all prospective  
42 employees, licensees, and contractors.

43 (6) To coordinate and collaborate with the appropriate law enforcement  
44 authorities regarding investigations of violations of the laws relating to the  
45 functions of the Commission and make reports to the Commission regarding  
46 those investigations.

47 (7) To confer with the Commission on the operation and administration of the  
48 lottery under Subchapter II of this Chapter and make available for inspection  
49 by the Commission all books, records, files, documents, and other information  
50 of the lottery.



1 of the performance of individuals, including athletes in the case of  
2 sports events.

3 c. No winning outcome is based on the score, point spread, or any  
4 performance of any single actual team or combination of teams or  
5 solely on any single performance of an individual athlete or player in  
6 any single actual event.

7 (3) Location percentage. – The percentage for the operator, rounded to the nearest  
8 tenth of a percent (0.1%), of the total amount of entry fees collected from  
9 players located in this State, divided by the total entry fees collected by the  
10 operator from all players.

11 (4) Net revenue. – The amount equal to the total of all entry fees that an operator  
12 collects from all players, less the total of all sums paid out as winnings to all  
13 players, multiplied by the location percentage. The term includes the value of  
14 any promotional tickets and credits.

15 (5) Operator. – A person or entity that offers fantasy contests to members of the  
16 public. The term does not include an Internet service provider or a provider of  
17 mobile data services merely as a result of that entity's transporting general  
18 traffic that may include a fantasy contest.

19 (6) Player. – A person who participates in a fantasy contest offered by an operator.

20 (7) Principal stockholder. – Any person who individually, or in concert with the  
21 person's spouse and immediate family members, (i) beneficially owns or  
22 controls, directly or indirectly, at least fifteen percent (15%) of the equity  
23 ownership of an operator or (ii) has the power to vote or cause the vote of at  
24 least fifteen percent (15%) of an operator.

25 "Article 26.

26 "Regulation of Fantasy Sports.

27 "**§ 18E-600 through 602. Reserved.**

28 "**§ 18E-603. Application for registration; expiration and renewal.**

29 (a) No fantasy contest shall be offered in this State unless the operator has been registered  
30 with the Commission.

31 (b) An applicant for registration shall be registered by the Commission if the applicant  
32 meets all of the following requirements:

33 (1) Submission of an application, on a form to be prescribed by the Commission,  
34 that contains all of the following information:

35 a. The name and principal address of the applicant.

36 b. The address of any offices of the applicant in this State and its  
37 registered agent within this State. If the applicant does not maintain an  
38 office in this State, the name and address of the person having custody  
39 of its financial records.

40 c. The location and date the applicant was legally established and the  
41 form of its organization.

42 d. The names and addresses of the officers, directors, trustees, and  
43 principal salaried executive staff officer.

44 e. The name and address of each principal stockholder of the applicant,  
45 if any.

46 f. Any information the Commission deems necessary to ensure  
47 compliance with the provisions of this Article.

48 (2) Submission of evidence satisfactory to the Commission that the operator has  
49 established commercially reasonable procedures for fantasy contests that are  
50 intended to do the following:

- 1           a.     Prevent the operator and its employees and their immediate family  
2           members living in the same household from competing in any public  
3           fantasy contest offered by the operator in which a cash prize is offered.  
4           b.     Prevent the sharing of information by fantasy contest players that has  
5           the potential to affect a fantasy contest that is obtained as a result of or  
6           by virtue of a person's employment and that is not publicly available.  
7           c.     Verify that a player is at least 18 years of age.  
8           d.     Ensure that players participating in a fantasy contest are restricted  
9           from entering any fantasy contest where the outcome is determined, in  
10          whole or part, on the accumulated statistical results of a team of  
11          individuals in which such players are participants.  
12          e.     Allow individuals, upon request, to restrict themselves from entering  
13          a fantasy contest and take reasonable steps to prevent those individuals  
14          from entering the operator's fantasy contests.  
15          f.     Disclose the maximum number of entries a single fantasy contest  
16          player may submit to each fantasy contest and take reasonable steps to  
17          prevent any player from submitting more than the maximum allowable  
18          number.  
19          g.     Segregate player funds from operational funds in separate accounts  
20          and maintain a reserve in the form of cash, cash equivalents,  
21          irrevocable letter of credit, bond, credit card and payment processor  
22          accounts and receivables, or a combination thereof, in an amount  
23          sufficient to pay all prizes and awards offered to winning participants.  
24          h.     Prevent fantasy contests based on the performances of participants in  
25          collegiate, high school, or youth athletic competitions.  
26          (3)    Submission of an initial registration fee equal to ten percent (10%) of the  
27          operator's gross fantasy contest revenues from the previous calendar year;  
28          provided, however, that the fee shall not be less than two thousand five  
29          hundred dollars (\$2,500) or more than ten thousand dollars (\$10,000).  
30          (4)    Submission of any fees necessary to cover the cost of the criminal record  
31          check of the applicant.  
32          (c)    Registrations issued pursuant to this Article shall expire five years after issuance or  
33          renewal. The Commission shall renew the registration of an operator that submits a completed  
34          application in accordance with subsection (b) of this section and a renewal fee equal to the lesser  
35          of five thousand dollars (\$5,000) or ten percent (10%) of the operator's net revenue from the  
36          previous calendar year.  
37          (d)    An operator applying for registration who has been in continuous operation in this  
38          State for at least 180 days as of the effective date of this act may continue to offer fantasy contests  
39          to persons located in the State until 60 days after applications for registration are published by  
40          the Commission. Operators who have applied for registration during that 60-day period may  
41          continue to operate while the registration is pending. Operators who have not registered shall  
42          cease operations within this State by the expiration of the 60-day period.  
43          (e)    An operator applying for registration or renewal of a registration may operate during  
44          the application period unless the Commission has reasonable cause to believe that the operator is  
45          or may be in violation of the provisions of this Article and the Commission requires the operator  
46          to suspend all fantasy contests until registration or renewal of registration is issued or denied.  
47          (f)    The Commission shall issue a registration within 60 days of receipt of the application  
48          for registration. If the registration is not issued, the Commission shall provide the operator with  
49          the justification for not issuing such registration with specificity.  
50          "**§ 18E-604. Reserved.**  
51          "**§ 18E-605. Denial, revocation, or suspension of registration; hearings; civil penalties.**



1       (a)    The Commission may deny, revoke, or suspend a registration upon determination that  
2 an operator, or any officer, partner, principal stockholder, or director of the operator, has done  
3 any of the following:

4           (1)   Knowingly made a false statement of material fact or has deliberately failed  
5 to disclose any information requested.

6           (2)   Committed an illegal, corrupt, or fraudulent act, practice, or conduct in  
7 connection with any fantasy contest in any jurisdiction, or has been convicted  
8 of a felony, a crime of moral turpitude, or any criminal offense involving  
9 dishonesty or breach of trust within 10 years prior to the date of application  
10 for registration.

11          (3)   Knowingly failed to comply with the provisions of this Chapter or of any  
12 requirements of the Commission.

13          (4)   Defaulted in the payment of any obligation or debt due to the State.

14          (5)   Fails to be qualified to do business in this State or is not subject to the  
15 jurisdiction of the courts of this State.

16       (b)    After a hearing with 30 days' notice, the Commission may suspend or revoke an  
17 operator's registration where a violation of this Article has been found by a preponderance of the  
18 evidence. In addition, the Commission may assess a civil penalty not in excess of one thousand  
19 dollars (\$1,000) for any violation of this Article demonstrated by a preponderance of the  
20 evidence; provided, however, that the penalty shall not exceed ten thousand dollars (\$10,000) for  
21 a continuing violation. The clear proceeds of any civil penalty assessed under this section shall  
22 be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. After  
23 a hearing, the Commission may revoke a registration if it finds that facts not known by it at the  
24 time it considered the application indicate that such registration should not have been issued. For  
25 the purposes of this section, a single act or omission by an operator that affects one or more  
26 players shall be treated as a single violation.

27       (c)    If the Commission determines that a violation of this Article has occurred and  
28 emergency action is required to protect the public health, safety, and welfare, the Commission  
29 may suspend any registration for a period of not more than seven business days pending a hearing  
30 and final determination. The Commission shall notify the operator of the date, time, and place of  
31 the hearing at least five business days prior to the hearing.

32       (d)    If the Commission denies, suspends, or revokes a registration, or assesses a civil  
33 penalty in accordance with this Article, the Commission shall issue written notice to the operator.  
34 An operator aggrieved by the Commission's action may seek review in accordance with Chapter  
35 150B of the General Statutes.

36 **"§ 18E-606. Reserved.**

37 **"§ 18E-607. Reporting and audit requirements.**

38       A registered operator shall do all of the following:

39           (1)   File an annual report with the Commission indicating compliance with this  
40 Article.

41           (2)   Conduct an independent financial audit and submit to the Commission a copy  
42 of the independent financial audit report no less frequently than every two  
43 years. The audit shall be consistent with the standards established by the  
44 American Institute of Certified Public Accountants and may be part of a  
45 national audit conducted by a certified public accountant.

46           (3)   Notify and update the Commission of any material change to the information  
47 provided in the application for registration under G.S. 18E-603.

48           (4)   Notify the Commission if the operator ceases to offer fantasy contests in this  
49 State.

50 **"§ 18E-608. Reserved.**

51 **"§ 18E-609. Change of ownership or acquisition of interest in operator.**

1 If any person acquires a controlling interest of a registered operator, that person shall register  
2 with the Commission in accordance with this act. The operator may continue to operate during  
3 the registration period unless the Commission has reasonable cause to believe that person is or  
4 may be in violation of the provisions of this Article. The Commission may require the operator  
5 to suspend the operation of any fantasy contest until registration is issued or denied.

6 **"§ 18E-610. Reserved.**

7 **"§ 18E-611. Confidential information.**

8 Reports, data, or documents submitted to the Commission pursuant to the audit requirements  
9 of this Article and records submitted to the Commission as part of an application for registration  
10 or renewal that contain information about the character or financial responsibility of the operator  
11 or its principal stockholders are confidential and shall not be considered public records within  
12 the meaning of Chapter 132 of the General Statutes.

13 **"§ 18E-612. Reserved.**

14 **"§ 18E-613. Fantasy contests not considered gambling.**

15 Fantasy contests conducted pursuant to this Article do not constitute gambling, lotteries,  
16 gaming, or any activity or enterprise subject to or prohibited by Chapter 14, 16, or 19 of the  
17 General Statutes, or any other provision of law. The award of prize money for any fantasy contest  
18 shall not be deemed to be part of any gaming contract prohibited pursuant to Chapter 16 of the  
19 General Statutes.

20 **"§ 18E-614. Reserved.**

21 **"§ 18E-615. Operator control of contests.**

22 Nothing in this Article shall be construed to limit the ability of an operator to control or  
23 conduct its contests or to provide a uniform gameplay platform for players in multiple  
24 jurisdictions."

25 **SECTION 3.(a)** G.S. 18C-110 is repealed.

26 **SECTION 3.(b)** G.S. 18C-111 is repealed.

27 **SECTION 3.(c)** G.S. 18C-112 is repealed.

28 **SECTION 3.(d)** G.S. 18C-113(a), (b), and (c) are repealed.

29 **SECTION 3.(e)** G.S. 18C-115(a) is repealed.

30 **SECTION 3.(f)** G.S. 18C-114 is repealed.

31 **SECTION 3.(g)** G.S. 18C-120 is repealed.

32 **SECTION 3.(h)** G.S. 18C-122 is repealed.

33 **SECTION 4.** G.S. 18B-500(b) reads as rewritten:

34 "(b) Subject Matter Jurisdiction. – After taking the oath prescribed for a peace officer, an  
35 alcohol law-enforcement agent shall have authority to arrest and take other investigatory and  
36 enforcement actions for any criminal offense. The primary responsibility of an agent shall be  
37 enforcement of the ~~ABC-ABC~~, gaming, and lottery laws."

38 **SECTION 5.(a)** The North Carolina Gaming Commission shall study the feasibility  
39 of authorizing sports betting, steeplechases, and video lottery terminals for operation in this State.  
40 As part of its study, the North Carolina Gaming Commission shall address all of the following:

41 (1) Examine any restrictions on such activities in this State.

42 (2) Examine the effects of authorizing such activities on existing tribal games in  
43 this State, if any.

44 (3) Investigate the positive and negative impacts of authorizing such activities in  
45 this State, including whether any additional resources may be needed for  
46 assistance to those with gambling addictions.

47 (4) Examination of potential revenues and expenditures for the State, if such  
48 activities are authorized.

49 (5) Recommendations of types of regulation of such activities, including any to  
50 protect players.

51 (6) Any other matters the North Carolina Gaming Commission deems relevant.

1           **SECTION 5.(b)** The North Carolina Gaming Commission shall report its findings,  
2 together with any proposed legislation, to the 2020 Regular Session of the 2019 Session of the  
3 General Assembly on or before January 31, 2020.

4           **SECTION 6.** Except as otherwise specifically provided in this act, each enumerated  
5 commission, board, or other function of State government transferred to the North Carolina  
6 Gaming Commission, as created in this act, is a continuation of the former entity for purposes of  
7 succession to all the rights, powers, duties, and obligations of the former. Where the former  
8 entities are referred to by law, contract, or other document in their former name, the North  
9 Carolina Gaming Commission, as created in this act, is charged with exercising the functions of  
10 the former named entity.

11           **SECTION 7.** No action or proceeding pending on May 1, 2019, brought by or against  
12 the North Carolina Lottery Commission, the State Bureau of Investigation, the Alcohol Law  
13 Enforcement Branch of the Department of Public Safety, or the Boxing Advisory Commission  
14 shall be affected by any provision of this act, but the same may be prosecuted or defended in the  
15 name of the North Carolina Gaming Commission, as created in this act. In these actions and  
16 proceedings, the North Carolina Gaming Commission or its Executive Director, as appropriate,  
17 shall be substituted as a party upon proper application to the courts or other administrative or  
18 quasi-judicial bodies.

19           Any business or other matter undertaken or commanded by any State program or  
20 office or contract transferred by this act to the North Carolina Gaming Commission pertaining to  
21 or connected with the functions, powers, obligations, and duties set forth herein, which is pending  
22 on May 1, 2019, may be conducted and completed by the North Carolina Gaming Commission  
23 in the same manner and under the same terms and conditions and with the same effect as if  
24 conducted and completed by the original program, office, or commissioners or directors thereof.

25           **SECTION 8.** The consolidation provided for under this act shall not affect any  
26 ongoing investigation or audit. Prosecutions for offenses or violations committed before May 1,  
27 2019, are not abated or affected by this act, and the statutes that would be applicable but for this  
28 act remain applicable to those prosecutions.

29           **SECTION 9.** Rules, forms, policies, procedures, and guidance adopted by the North  
30 Carolina Lottery Commission, the State Bureau of Investigation, the Alcohol Law Enforcement  
31 Branch of the Department of Public Safety, or the Boxing Advisory Commission shall remain in  
32 effect until amended or repealed by the North Carolina Gaming Commission.

33           **SECTION 10.** The authority, powers, duties and functions, records, personnel,  
34 property, and unexpended balances of appropriations, allocations, or other funds, including the  
35 functions of budgeting and purchasing, of the North Carolina Lottery Commission are transferred  
36 to the North Carolina Gaming Commission, as created in this act. The authority, powers, duties  
37 and functions, records, personnel, property, and unexpended balances of appropriations,  
38 allocations, or other funds, including the functions of budgeting and purchasing, of the bingo and  
39 raffle functions of the State Bureau of Investigation are transferred to the North Carolina Gaming  
40 Commission, as created in this act. The authority, powers, duties and functions, records,  
41 personnel, property, and unexpended balances of appropriations, allocations, or other funds,  
42 including the functions of budgeting and purchasing, of the boxing regulatory functions of the  
43 Alcohol Law Enforcement Branch of the Department of Public Safety and the Boxing Advisory  
44 Commission are transferred to the North Carolina Gaming Commission, as created in this act.  
45 The Director of the Budget shall resolve any disputes arising out of this transfer.

46           **SECTION 11.** The appropriations and resources of the North Carolina Lottery  
47 Commission, including any office space, are transferred to the North Carolina Gaming  
48 Commission, and the transfer shall have all the elements of a Type I transfer under G.S. 143A-6.

49           **SECTION 12.** The appropriations and resources of the bingo and raffle functions of  
50 the State Bureau of Investigation are transferred to the North Carolina Gaming Commission, and  
51 the transfer shall have all the elements of a Type I transfer under G.S. 143A-6.

1           **SECTION 13.** The appropriations and resources of the boxing regulatory functions  
2 of the Alcohol Law Enforcement Branch of the Department of Public Safety and the Boxing  
3 Advisory Commission are transferred to the North Carolina Gaming Commission, and the  
4 transfers shall have all the elements of a Type I transfer under G.S. 143A-6.

5           **SECTION 14.** The North Carolina Gaming Commission shall report to the Joint  
6 Legislative Commission on Governmental Operations and the Joint Legislative Lottery  
7 Oversight Committee on or before April 1, 2020, and again on or before March 1, 2021, as to  
8 recommendations for statutory changes necessary to further implement this consolidation.

9           **SECTION 15.** This act becomes effective January 1, 2020.