

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 929

Short Title: Gaming Commission. (Public)

Sponsors: Representatives Warren, Hardister, Saine, and Hunter (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Commerce, if favorable, Judiciary, if favorable, Finance, if favorable, Rules,
Calendar, and Operations of the House

April 22, 2019

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE NORTH CAROLINA GAMING COMMISSION AND TO
AUTHORIZE THE REGULATION OF FANTASY SPORTS LEAGUES.

The General Assembly of North Carolina enacts:

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

SUBCHAPTER I. GENERAL PROVISIONS.

Article 1. Gaming Commission.

Article 2. Commission Employees.

SUBCHAPTER II. LOTTERY.

Article 5. General Provisions and Definitions.

Article 6. Operation of Lottery.

Article 7. Lottery Game Retailers.

Article 8. Lottery Contractors.

Article 9. North Carolina State Lottery Fund.

Article 10. Miscellaneous.

SUBCHAPTER III. BINGO AND RAFFLES.

Article 15. Bingo.

Article 16. Raffles.

SUBCHAPTER IV. REGULATION OF BOXING.

Article 20. General Provisions and Definitions.

Article 21. Boxing Advisory Commission.

Article 22. Regulation of Boxing.

SUBCHAPTER V. FANTASY SPORTS.

Article 25. General Provisions and Definitions.

Article 26. Regulation of Fantasy Sports.



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1 All succeeding appointments shall be for terms of four years. Members shall not serve for more
2 than two successive terms.

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

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

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

9 **"§ 18A-113. Qualifications of Commissioners.**

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

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

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

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

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

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

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

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

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

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

30 **"§ 18E-114. Reserved.**

31 **"§ 18E-115. Meetings; records.**

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

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

40 **"§ 18E-116. Reserved.**

41 **"§ 18E-117. Powers and duties of the Commission.**

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

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

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

46 a. All advertising shall include resources for responsible gaming
47 information.

48 b. No advertising may intentionally target specific groups or economic
49 classes.

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

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

6 (3) To conduct a background investigation, including a criminal history record
7 check, of applicants for the Director of the Commission, which may include a
8 search of the State and National Repositories of Criminal Histories based on
9 the fingerprints of applicants.

10 (4) To charge a fee, not to exceed the cost of the criminal record check, of the
11 licensees and contractors.

12 (5) To specify the authority, compensation, and role of the Director, and to specify
13 the authority, selection, and role of the other employees of the Commission,
14 in accordance with Article 3 of this Chapter.

15 (6) To approve and authorize the Director to enter into agreements with other
16 states to operate and promote multistate gaming operations consistent with the
17 purposes set forth in this Chapter.

18 (7) To specify the number and value of prizes for winning tickets or shares in
19 lottery games, including cash prizes, merchandise prizes, prizes consisting of
20 deferred payments or annuities, and prizes of tickets or shares in the same
21 lottery game or other lottery games.

22 (8) To adopt rules necessary to carry out the provisions of this Chapter in
23 accordance with Chapter 150B of the General Statutes.

24 (9) Any other powers necessary for the Commission to carry out its
25 responsibilities under this Chapter.

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

27 **"§ 18E-118. Reserved.**

28 **"§ 18E-119. Reports.**

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

34 **"§ 18E-120. Reserved.**

35 **"§ 18E-121. Audits.**

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

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

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

48 (d) The portion of the security audit report containing specific recommendations shall be
49 confidential, shall be presented only to the Director and to the Commission, and shall be exempt
50 from Chapter 132 of the General Statutes. The Commission may hear the report of such an audit,

1 discuss, and take action on any recommendations to address that audit under
2 G.S. 143-318.11(a)(1).

3 (e) Biennially, at the end of the fiscal year, in addition to the audits required by this
4 section, the Commission shall engage an independent auditing firm that has experience in
5 evaluating the operation of lotteries to perform an audit of the lottery as operated under
6 Subchapter II of this Chapter. The results shall be presented to the Commission, to the Governor,
7 and to the General Assembly.

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

11 **"§ 18E-122 through 124. Reserved.**

12 **"§ 18E-125. Enforcement.**

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

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

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

24 "Article 2.

25 "North Carolina Gaming Commission Employees.

26 **"§ 18E-201. Selection of the Director; powers and duties.**

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

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

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

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

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

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

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

48 (6) To coordinate and collaborate with the appropriate law enforcement
49 authorities regarding investigations of violations of the laws relating to the
50 functions of the Commission and make reports to the Commission regarding
51 those investigations.

- 1 a. The value of all prizes and awards offered to winning participants is
2 established and made known to the participants in advance of a contest
3 that is open to the general public.
4 b. All winning outcomes reflect the relative knowledge and skill of the
5 participants and shall be determined by accumulated statistical results
6 of the performance of individuals, including athletes in the case of
7 sports events.
8 c. No winning outcome is based on the score, point spread, or any
9 performance of any single actual team or combination of teams or
10 solely on any single performance of an individual athlete or player in
11 any single actual event.

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

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

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

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

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

30 "Article 26.

31 "Regulation of Fantasy Sports.

32 **§ 18E-600 through 602. Reserved.**

33 **§ 18E-603. Application for registration; expiration and renewal.**

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

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

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

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

41 b. The address of any offices of the applicant in this State and its
42 registered agent within this State. If the applicant does not maintain an
43 office in this State, the name and address of the person having custody
44 of its financial records.

45 c. The location and date the applicant was legally established and the
46 form of its organization.

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

49 e. The name and address of each principal stockholder of the applicant,
50 if any.

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

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

6 a. Prevent the operator and its employees and their immediate family
7 members living in the same household from competing in any public
8 fantasy contest offered by the operator in which a cash prize is offered.

9 b. Prevent the sharing of information by fantasy contest players that has
10 the potential to affect a fantasy contest that is obtained as a result of or
11 by virtue of a person's employment and that is not publicly available.

12 c. Verify that a player is at least 18 years of age.

13 d. Ensure that players participating in a fantasy contest are restricted
14 from entering any fantasy contest where the outcome is determined, in
15 whole or part, on the accumulated statistical results of a team of
16 individuals in which such players are participants.

17 e. Allow individuals, upon request, to restrict themselves from entering
18 a fantasy contest and take reasonable steps to prevent those individuals
19 from entering the operator's fantasy contests.

20 f. Disclose the maximum number of entries a single fantasy contest
21 player may submit to each fantasy contest and take reasonable steps to
22 prevent any player from submitting more than the maximum allowable
23 number.

24 g. Segregate player funds from operational funds in separate accounts
25 and maintain a reserve in the form of cash, cash equivalents,
26 irrevocable letter of credit, bond, credit card and payment processor
27 accounts and receivables, or a combination thereof, in an amount
28 sufficient to pay all prizes and awards offered to winning participants.

29 h. Prevent fantasy contests based on the performances of participants in
30 collegiate, high school, or youth athletic competitions.

31 (3) Submission of an initial registration fee equal to ten percent (10%) of the
32 operator's gross fantasy contest revenues from the previous calendar year;
33 provided, however, that the fee shall not be less than two thousand five
34 hundred dollars (\$2,500) or more than ten thousand dollars (\$10,000).

35 (4) Submission of any fees necessary to cover the cost of the criminal record
36 check of the applicant.

37 (c) Registrations issued pursuant to this Article shall expire five years after issuance or
38 renewal. The Commission shall renew the registration of an operator that submits a completed
39 application in accordance with subsection (b) of this section and a renewal fee equal to the lesser
40 of five thousand dollars (\$5,000) or ten percent (10%) of the operator's net revenue from the
41 previous calendar year.

42 (d) An operator applying for registration who has been in continuous operation in this
43 State for at least 180 days as of the effective date of this act may continue to offer fantasy contests
44 to persons located in the State until 60 days after applications for registration are published by
45 the Commission. Operators who have applied for registration during that 60-day period may
46 continue to operate while the registration is pending. Operators who have not registered shall
47 cease operations within this State by the expiration of the 60-day period.

48 (e) An operator applying for registration or renewal of a registration may operate during
49 the application period unless the Commission has reasonable cause to believe that the operator is
50 or may be in violation of the provisions of this Article and the Commission requires the operator
51 to suspend all fantasy contests until registration or renewal of registration is issued or denied.

1 (f) The Commission shall issue a registration within 60 days of receipt of the application
2 for registration. If the registration is not issued, the Commission shall provide the operator with
3 the justification for not issuing such registration with specificity.

4 **"§ 18E-604. Reserved.**

5 **"§ 18E-605. Denial, revocation, or suspension of registration; hearings; civil penalties.**

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

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

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

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

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

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

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

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

37 (d) If the Commission denies, suspends, or revokes a registration, or assesses a civil
38 penalty in accordance with this Article, the Commission shall issue written notice to the operator.
39 An operator aggrieved by the Commission's action may seek review in accordance with Chapter
40 150B of the General Statutes.

41 **"§ 18E-606. Reserved.**

42 **"§ 18E-607. Reporting and audit requirements.**

43 A registered operator shall do all of the following:

44 (1) File an annual report with the Commission indicating compliance with this
45 Article.

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

- 1 (3) Notify and update the Commission of any material change to the information
2 provided in the application for registration under G.S. 18E-603.
3 (4) Notify the Commission if the operator ceases to offer fantasy contests in this
4 State.

5 **"§ 18E-608. Reserved.**

6 **"§ 18E-609. Change of ownership or acquisition of interest in operator.**

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

12 **"§ 18E-610. Reserved.**

13 **"§ 18E-611. Confidential information.**

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

19 **"§ 18E-612. Reserved.**

20 **"§ 18E-613. Fantasy contests not considered gambling.**

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

26 **"§ 18E-614. Reserved.**

27 **"§ 18E-615. Operator control of contests.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1 (3) Investigate the positive and negative impacts of authorizing such activities in
2 this State, including whether any additional resources may be needed for
3 assistance to those with gambling addictions.
- 4 (4) Examination of potential revenues and expenditures for the State, if such
5 activities are authorized.
- 6 (5) Recommendations of types of regulation of such activities, including any to
7 protect players.
- 8 (6) Any other matters the North Carolina Gaming Commission deems relevant.

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

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

19 **SECTION 7.** No action or proceeding pending on May 1, 2017, brought by or against
20 the North Carolina Lottery Commission, the State Bureau of Investigation, the Alcohol Law
21 Enforcement Branch of the Department of Public Safety, or the Boxing Advisory Commission
22 shall be affected by any provision of this act, but the same may be prosecuted or defended in the
23 name of the North Carolina Gaming Commission, as created in this act. In these actions and
24 proceedings, the North Carolina Gaming Commission or its Executive Director, as appropriate,
25 shall be substituted as a party upon proper application to the courts or other administrative or
26 quasi-judicial bodies.

27 Any business or other matter undertaken or commanded by any State program or
28 office or contract transferred by this act to the North Carolina Gaming Commission pertaining to
29 or connected with the functions, powers, obligations, and duties set forth herein, which is pending
30 on May 1, 2017, may be conducted and completed by the North Carolina Gaming Commission
31 in the same manner and under the same terms and conditions and with the same effect as if
32 conducted and completed by the original program, office, or commissioners or directors thereof.

33 **SECTION 8.** The consolidation provided for under this act shall not affect any
34 ongoing investigation or audit. Prosecutions for offenses or violations committed before May 1,
35 2017, are not abated or affected by this act, and the statutes that would be applicable but for this
36 act remain applicable to those prosecutions.

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

41 **SECTION 10.** The authority, powers, duties and functions, records, personnel,
42 property, and unexpended balances of appropriations, allocations, or other funds, including the
43 functions of budgeting and purchasing, of the North Carolina Lottery Commission are transferred
44 to the North Carolina Gaming Commission, as created in this act. The authority, powers, duties
45 and functions, records, personnel, property, and unexpended balances of appropriations,
46 allocations, or other funds, including the functions of budgeting and purchasing, of the bingo and
47 raffle functions of the State Bureau of Investigation are transferred to the North Carolina Gaming
48 Commission, as created in this act. The authority, powers, duties and functions, records,
49 personnel, property, and unexpended balances of appropriations, allocations, or other funds,
50 including the functions of budgeting and purchasing, of the boxing regulatory functions of the
51 Alcohol Law Enforcement Branch of the Department of Public Safety and the Boxing Advisory

1 Commission are transferred to the North Carolina Gaming Commission, as created in this act.

2 The Director of the Budget shall resolve any disputes arising out of this transfer.

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

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

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

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

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