

230.805 Racing commission to institute system of sports wagering -- Service providers -- Requirements -- Sports wagering account registration -- Limitation on accounts -- Administrative regulations.

- (1) The racing commission shall institute a system of sports wagering in conformance with federal law, this chapter, and by administrative regulations promulgated under the authority of KRS 230.215.
- (2) Sports wagering shall not be offered in this state except as authorized by this section and KRS 230.811. A track that holds a license to operate sports wagering may contract with sports wagering service providers to conduct or manage sports wagering operations as authorized by this chapter. Sports wagering may be provided at a licensed facility for sports wagering or online through a website or mobile application. The licensed facility for sports wagering or a sports wagering service provider may provide sports wagering through a website or mobile interface as approved by the racing commission. The racing commission may provide temporary licenses to licensed facilities for sports wagering or sports wagering service providers, if the commission deems that the information submitted by them is sufficient to determine the applicant's suitability. The racing commission shall promulgate administrative regulations to establish the suitability for temporary and ordinary license applications for licensed facilities for sports wagering, sports wagering service providers, and any related parties.
- (3) Sports wagering licensees and service providers that accept wagers online via websites and mobile applications shall impose the following requirements:
 - (a) Prior to placing a wager online via websites or mobile applications operated by either a sports wagering licensee or a service provider, a patron shall register the patron's sports wagering account with the operating sports wagering licensee or service provider either in person at a licensed facility for sports wagering or remotely through the service provider's website or mobile application;
 - (b)
 1. The registration process shall include attestation that the patron meets the requirements to place a wager with a sports wagering licensee or service provider in this state.
 2. Prior to verification of a patron's identity, a sports wagering licensee or service provider shall not allow the patron to engage in sports wagering, make a deposit, or process a withdrawal via the patron's sports wagering account.
 3. A sports wagering licensee or service provider shall implement commercially and technologically reasonable procedures to prevent access to sports wagering by any person under the age of eighteen (18):
 - a. At a licensed facility; and
 - b. Online via website or mobile application.
 4. A sports wagering licensee or service provider may use information obtained from third parties to verify that a person is authorized to open an account, place wagers, and make deposits and withdrawals;
 - (c) A sports wagering licensee or service provider shall adopt an account

registration policy to ensure that all patrons are authorized to place a wager with a sports wagering licensee or service provider within the Commonwealth of Kentucky. This policy shall include, without limitation, a mechanism by which to:

1. Verify the name and age of the patron;
 2. Verify that the patron is not prohibited from placing a wager; and
 3. Obtain the following information:
 - a. A physical address other than a post office box;
 - b. A phone number;
 - c. A unique user name; and
 - d. An e-mail account;
- (d) A sports wagering licensee or service provider shall use all commercially and technologically reasonable means to ensure that each patron is limited to one (1) account with that service provider in the Commonwealth, but nothing in this paragraph restricts a patron from holding other sports wagering accounts in other jurisdictions;
- (e) A sports wagering licensee or service provider, in addition to complying with state and federal law pertaining to the protection of the private, personal information of patrons, shall use all other commercially and technologically reasonable means to protect this information consistent with industry standards;
- (f) A sports wagering licensee or service provider shall use all commercially and technologically reasonable means to verify the identity of the patron making a deposit or withdrawal;
- (g) A sports wagering licensee or service provider shall utilize geolocation or geofencing technology to ensure that wagers are only accepted from patrons who are physically located in the Commonwealth. A sports wagering licensee or service provider shall maintain in this state its servers used to transmit information for purposes of accepting or paying out wagers on a sporting event placed by patrons in this state;
- (h) A patron may fund the patron's account using any acceptable form of payment or advance deposit method, which shall include the use of cash, cash equivalents, credit cards, debit cards, automated clearing house, other electronic methods, and any other form of payment authorized by the racing commission; and
- (i) The racing commission may enter into agreements with other jurisdictions or entities to facilitate, administer, and regulate multijurisdictional sports betting by sports betting operators to the extent that entering into the agreement is consistent with state and federal laws and the sports betting agreement is conducted only in the United States.
- (4) A track may contract with no more than three (3) service providers at a time to conduct and manage services and technology which support the operation of sports betting both on the track and online via websites and mobile applications. The

website or mobile application used to offer sports betting shall be offered only under the same brand as the track or that of the service provider contracted with the track, or both.

- (5) A track or service provider through an agreement with a licensed track shall not offer sports wagering until the racing commission has issued a sports wagering license to the track, except for temporary licenses authorized under KRS 230.814.
- (6)
 - (a) A track licensed under KRS 230.811 may offer sports wagering at a facility that meets the definition of "track" in KRS 230.210.
 - (b) A simulcast facility may offer sports wagering through an agreement with a track by using any of that track's already established service providers.

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