

230.814 Requirements for obtaining service provider license -- Application fee -- Factors to be considered by racing and gaming corporation -- Temporary license -- Revocation of license.

- (1) The corporation may issue a service provider license to a qualified applicant.
- (2) A person applying for a service provider license under this chapter shall pay a nonrefundable application fee of fifty thousand dollars (\$50,000) to the corporation.
- (3) In determining whether to grant a service provider's license to an applicant, the corporation shall consider:
 - (a) The applicant and its past, current, or future operations; and
 - (b) A person that is deemed to have control over the applicant. For the purposes of this section, the following persons are deemed to have control over an applicant:
 1. Each corporate holding company, parent company, or subsidiary company of a corporate applicant or licensee and each person that owns five percent (5%) or more of the corporate applicant or licensee and that has the ability to control the activities of the corporate applicant or licensee or elect a majority of the board of directors of that corporate applicant or licensee;
 2. Each person associated with a noncorporate applicant or licensee that directly or indirectly holds a beneficial or proprietary interest in the noncorporate applicant's or licensee's business operation or that the director otherwise determines has the ability to control the noncorporate applicant or licensee; and
 3. Any officer or director of an applicant or licensee having the power to exercise significant influence over decisions concerning any part of the applicant's or licensee's relevant sports wagering business operation in this state.
- (4) A service provider licensee shall pay an annual renewal fee of ten thousand dollars (\$10,000).
- (5) A person applying for a service provider license to conduct sports wagering through an agreement with a licensed track may receive a temporary license to immediately commence sports wagering operations if the applicant:
 - (a) Satisfies the corporation's requirements for a temporary license, which may consider operations in other jurisdictions in the United States; and
 - (b) Pays the initial licensing fee of fifty thousand dollars (\$50,000) under subsection (2) of this section to the corporation.
- (6) A temporary license granted to an applicant for a service provider to offer sports wagering under subsection (5) of this section may be valid for up to one (1) year, during which a permanent license shall be granted or denied. An applicant shall not be eligible for an extended or renewed temporary license. The corporation reserves the right to revoke any license issued pursuant to this chapter if it determines that the licensee has violated any provisions of this chapter or is otherwise deemed unfit for a license.

- (7) Fees paid under this section shall be deposited into the sports wagering administration fund established by KRS 230.817.

Effective: July 1, 2024

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