

H.127 (Sports Wagering)
Side By Side – APBH & Senate Proposals of Amendment

Section and V.S.A. Citation	As Passed by House	Senate Amendments
<p>Sec. 1, 31 V.S.A. § 1302</p>	<p style="text-align: center;"><u>§ 1302. DEPARTMENT OF LIQUOR AND LOTTERY; AUTHORITY AND DUTIES</u></p> <p style="text-align: center;">* * *</p> <p><u>(c) The Department, either independently or through its operator, shall provide:</u></p> <p style="text-align: center;">* * *</p> <p><u>(5) A statewide voluntary self-exclusion program for players to exclude themselves from wagering for a set period of time. The Department shall establish a uniform self-exclusion program that ensures a listed player is excluded from placing wagers with any of the State’s authorized sports wagering operators and fantasy sports contest operators. The Department shall establish a process that allows a holder of a joint bank account to exclude the joint account from all operator platforms in the State.</u></p> <p style="text-align: center;">* * *</p> <p><u>(g) The Department shall include in its contract with each operator:</u></p> <p><u>(1) a provision that prohibits the use of sports wagering advertisements, logos, trademarks, or brands on products that are sold in Vermont and intended primarily for persons under 21 years of age;</u></p> <p><u>(2) the requirement that the Department and its operators shall cooperatively develop an advertising plan, which shall include strategies to limit unwanted advertising and advertising aimed at persons under 21 years of age; and</u></p>	<p style="text-align: center;"><u>§ 1302. DEPARTMENT OF LIQUOR AND LOTTERY; AUTHORITY AND DUTIES</u></p> <p style="text-align: center;">* * *</p> <p><u>(c) The Department, either independently or through its operator, shall provide:</u></p> <p style="text-align: center;">* * *</p> <p><u>(5) A statewide voluntary self-exclusion program for players to exclude themselves from wagering for a set period of time. The Department shall establish a uniform self-exclusion program that ensures a listed player is excluded from placing wagers with any of the State’s authorized sports wagering operators and fantasy sports contest operators.</u></p> <p style="text-align: center;">* * *</p> <p><u>(g) The Department shall include in its contract with each operator:</u></p> <p><u>(1) a provision that prohibits the use of sports wagering advertisements, logos, trademarks, or brands on products that are sold in Vermont and intended primarily for persons under 21 years of age; and</u></p> <p><u>(2) an advertising plan, which shall include strategies to limit unwanted advertising and advertising aimed at persons under 21 years of age.</u></p>

	<p>(3) a cap on the amount spent by the Department and its operators on sports wagering advertising within the State.</p>	
<p>Sec. 1, 31 V.S.A. § 1304</p>	<p>§ 1304. REVENUES TO SPORTS WAGERING FUND</p> <p>The revenues and fees received by the Department pursuant to this chapter shall be deposited in the Sports Wagering Fund.</p>	<p>§ 1304. REVENUES TO SPORTS WAGERING ENTERPRISE FUND</p> <p>The revenues and fees received by the Department pursuant to this chapter shall be deposited in the Sports Wagering Enterprise Fund.</p>
<p>Sec. 1, 31 V.S.A. § 1320</p>	<p>§ 1320. SPORTS WAGERING OPERATORS; COMPETITIVE BIDDING PROCESS</p> <p style="text-align: center;">* * *</p> <p>(c) The Department shall assess an annual operator fee based on the number of operators that are accepted through the competitive bidding process. The annual operator fee shall be assessed as follows:</p> <p>(1) For one operator, \$550,000.00.</p> <p>(2) For two operators, \$275,000.00 per operator.</p> <p>(3) For three operators, \$200,000.00 per operator.</p> <p>(4) For four operators, \$162,500.00 per operator.</p> <p>(5) For five operators, \$140,000.00 per operator.</p> <p>(6) For six operators, \$125,000.00 per operator.</p> <p style="text-align: center;">* * *</p>	<p>§ 1320. SPORTS WAGERING OPERATORS; COMPETITIVE BIDDING PROCESS</p> <p style="text-align: center;">* * *</p> <p>(c) Each operator selected through the competitive bidding process shall pay an operator fee of \$550,000.00. The Commissioner and an operator may negotiate the renewal term upon which the fee will be reassessed. However, the Department shall not require an operator to pay the fee more than once in any three-year period.</p> <p style="text-align: center;">* * *</p> <p>(e) The Board shall adopt procedures governing the review and consideration of criminal background checks as a component of the competitive bidding process. The procedures shall establish standards for determining whether an applicant should not be selected as an operator due to the criminal history of the applicant's principals or other individuals who control the operator applicant. The Department shall obtain a copy of fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation for each operator applicant, principal of an operator applicant, and any individual who controls an operator applicant.</p> <p>(f) Notwithstanding subsection (e) of this section, the Department may accept third-</p>

		<p><u>party criminal background checks submitted by an operator applicant, principal of an operator applicant, or any individual who controls an operator applicant in lieu of obtaining those records from the Vermont Crime Information Center. The third-party background check shall:</u></p> <p><u>(1) be conducted by a third-party consumer reporting agency or background screening company that is in compliance with the federal Fair Credit Reporting Act; and</u></p> <p><u>(2) include a multistate and multijurisdiction criminal record locator.</u></p>
<p>Sec. 1, 31 V.S.A. § 1325</p>	<p><u>§ 1325. CRIMES AND PENALTIES</u></p> <p><u>(a) A person who is not permitted to conduct sports wagering pursuant to this chapter that operates, conducts, or exposes sports wagering for play or accepts a bet or wager associated with sports wagering shall:</u></p> <p><u>(1) for a first violation of this subchapter, be fined not more than \$25,000.00 or imprisoned not more than six months, or both;</u></p> <p><u>(2) for a second violation of this subsection, be fined not more than \$75,000.00 or imprisoned not more than one year, or both; and</u></p> <p><u>(3) for a third or subsequent violation of this subsection, be fined not more than \$150,000.00 or imprisoned not more than two years, or both.</u></p> <p style="text-align: center;">* * *</p>	<p><u>§ 1325. CRIMES AND PENALTIES</u></p> <p><u>(a) A corporation, association, or partnership that is not permitted to conduct sports wagering pursuant to this chapter that operates, conducts, or exposes sports wagering for play or accepts a bet or wager associated with sports wagering shall:</u></p> <p><u>(1) for a first violation of this subsection, be fined not more than \$50,000.00 or imprisoned not more than six months, or both;</u></p> <p><u>(2) for a second violation of this subsection, be fined not more than \$150,000.00 or imprisoned not more than one year, or both; and</u></p> <p><u>(3) for a third or subsequent violation of this subsection, be fined not more than \$300,000.00 or imprisoned not more than two years, or both.</u></p> <p style="text-align: center;">* * *</p>
<p>Sec. 1, 31 V.S.A. § 1341</p>	<p><u>§ 1341. SPORTS WAGERING FUND</u></p> <p><u>(a) The Sports Wagering Fund is established. It shall consist of all revenues and fees received by the Department pursuant to this chapter and all amounts that are from time to time appropriated to the Department for purposes of this chapter.</u></p>	<p><u>§ 1341. SPORTS WAGERING ENTERPRISE FUND</u></p> <p><u>(a) The Sports Wagering Enterprise Fund is established. It shall consist of all revenues and fees received by the Department pursuant to this chapter and all amounts that are from time to time appropriated to the</u></p>

	<p style="text-align: center;">* * *</p>	<p><u>Department for purposes of this chapter.</u></p> <p style="text-align: center;">* * *</p>
<p>Sec. 1, 31 V.S.A. § 1341a</p>	<p style="text-align: center;"><u>§ 1341a. PROBLEM GAMBLING PROGRAM</u></p> <p><u>(a) The Department of Mental Health shall establish and administer the Problem Gambling Program to:</u></p> <p style="padding-left: 40px;"><u>(1) provide support to agencies, organizations, and persons that provide education, assistance, awareness, treatment, and recovery services to persons and families experiencing difficulty as a result of addictive or problematic gambling;</u></p> <p style="padding-left: 40px;"><u>(2) promote public awareness of and provide education concerning gambling addiction;</u></p> <p style="padding-left: 40px;"><u>(3) establish programs to certify addiction counselors;</u></p> <p style="padding-left: 40px;"><u>(4) promote public awareness of assistance programs for gambling addiction; and</u></p> <p style="padding-left: 40px;"><u>(5) fund a helpline with text messaging and online chat capabilities.</u></p> <p style="text-align: center;">* * *</p>	<p style="text-align: center;"><u>§ 1341a. PROBLEM GAMBLING PROGRAM</u></p> <p><u>(a) The Department of Mental Health shall establish and administer the Problem Gambling Program to:</u></p> <p style="padding-left: 40px;"><u>(1) provide support to agencies, organizations, and persons that provide education, assistance, awareness, treatment, and recovery services to persons and families experiencing difficulty as a result of addictive or problematic gambling;</u></p> <p style="padding-left: 40px;"><u>(2) promote public awareness of and provide education concerning gambling addiction using online capabilities and other best practices; and</u></p> <p style="padding-left: 40px;"><u>(3) promote public awareness of assistance programs for gambling addiction using online capabilities and other best practices.</u></p> <p style="text-align: center;">* * *</p>
<p>Sec. 2a (appropriations)</p>	<p style="text-align: center;"><u>APPROPRIATIONS</u></p> <p><u>(a) The following sums are appropriated from the Sports Wagering Fund to the Department of Mental Health for purposes of establishing and administering the Problem Gambling Program:</u></p> <p style="padding-left: 40px;"><u>(1) in fiscal year 2024, \$250,000.00; and</u></p> <p style="padding-left: 40px;"><u>(2) in fiscal year 2025, \$500,000.00.</u></p> <p style="padding-left: 40px;"><u>(b) In fiscal year 2024, \$550,000.00 is appropriated from the Sports Wagering Fund to the Department of Liquor and Lottery. This appropriation is made in anticipation of receipts from sports wagering operator fees.</u></p>	<p style="text-align: center;"><u>APPROPRIATIONS</u></p> <p><u>(a) In fiscal year 2024, the following sums are appropriated from the Sports Wagering Fund:</u></p> <p style="padding-left: 40px;"><u>(1) \$250,000.00 to the Department of Mental Health for purposes of establishing and administering the Problem Gambling Program;</u></p> <p style="padding-left: 40px;"><u>(2) \$550,000.00 to the Department of Liquor and Lottery in anticipation of receipts from sports wagering operator fees; and</u></p> <p style="padding-left: 40px;"><u>(3) \$100,000.00 to the Agency of Digital Services for purposes of establishing the self-exclusion program required by this act.</u></p>

		<p>(b) The appropriation to the Problem Gambling Program in subsection (a) of this section shall be combined with the fiscal year 2024 funding from the State Lottery Fund for the same purpose. Any contract scope of work, memorandum of understanding parameters, or program design shall be executed in consultation with the Chief Prevention Officer.</p> <p>(1) On or before January 15, 2024, the Department of Mental Health, Department of Liquor and Lottery, and Chief Prevention Officer shall report to the General Assembly on the status of the Problem Gambling Program, Program funding, and the projected use of the Program. The report shall detail how the Program funding aligns with other similar programs.</p> <p>(2) The report required by this subsection shall include recommendations for allocations for problem gambling programs:</p> <p>(A) for fiscal year 2025, in the form of a specific appropriation from each enterprise fund; and</p> <p>(B) for fiscal year 2026 and after, in the form of a recommended minimum appropriation or percentage of revenue allocation from each enterprise fund.</p> <p>(c) In each fiscal year after fiscal year 2025, a sum equal to five percent of the annual sports wagering revenue received by the Department of Liquor and Lottery shall be appropriated from the Sports Wagering Fund to the Department of Mental Health for purposes of the Problem Gambling Program.</p>
Sec. 3	Sec. 3 (Repeal) is redesignated	<p>31 V.S.A. § 655 is amended to read:</p> <p>§ 655. DUTIES OF THE COMMISSIONER</p> <p style="text-align: center;">* * *</p> <p>(b) The Commissioner shall:</p> <p style="text-align: center;">* * *</p> <p>(7) Subject to the approval of the Board, establish a user agreement with the</p>

		<p>Vermont Crime Information Center in accordance with 20 V.S.A. chapter 117 for the purpose of obtaining Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation to review applications of any sports wagering operator or for any Lottery sales agent license issued under this title and by renumbering the remaining sections to be numerically correct.</p>
Sec. 4	Sec. 4 (effective date) is redesignated	<p>32 V.S.A. § 5823 is amended to read:</p> <p>§ 5823. VERMONT INCOME OF INDIVIDUALS, ESTATES, AND TRUSTS</p> <p style="text-align: center;">* * *</p> <p>(b) For any taxable year, the Vermont income of a nonresident individual, estate, or trust is the sum of the following items of income to the extent they are required to be included in the adjusted gross income of the individual or the gross income of an estate or trust for that taxable year:</p> <p style="text-align: center;">* * *</p> <p>(6) proceeds from wagering transactions made within the State; or any Vermont State Lottery, tri-state lottery, or multijurisdictional lottery ticket paid to a person who purchased the ticket in Vermont, including payments received from a third party for the transfer of the rights to future proceeds related to the ticket; and the Commissioner may require withholding of any taxes due to the State under this subdivision from payments of wagering or lottery proceeds.</p> <p style="text-align: center;">* * *</p>

		and by renumbering the remaining sections to be numerically correct.
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