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### North Carolina Sports Gambling Goes Live, Other States in Close Pursuit



North Carolina joined approximately 29 other states and became the most recent state with legal online sports betting on March 11, 2024.

At that time, licensed operators such as FanDuel and DraftKings began accepting various sports wagers—including bets on portions of sporting events, proposition wagers, and in-play wagers—from individuals throughout North Carolina. The North Carolina State Lottery Commission (Commission) recently issued [rules](#) for implementing [HB 347](#), the statute signed into law last year that legalized sports betting. Those rules became effective on January 8, 2024.

The following are key takeaways on what this means in practice for sports wagering operators and their service providers or suppliers.

- **Bet from anywhere.** Online sports wagers can be placed from anywhere in North Carolina.[\[1\]](#) In addition to online forums, sports wagers can be made in person at places of public accommodation associated with a sports facility, such as the home location of a professional sports team.
- **Licensing may be required.** The statute provides for three types of licenses related to online sports betting. Specifically, (1) operators that accept wagers must obtain an "interactive sports wagering license" [\[2\]](#); (2) businesses that create sports wagering markets and are engaged in the control, management, and operation of sports wagering platforms must obtain a "service provider license" [\[3\]](#); and (3) businesses that provide services, goods, software, or other components that are necessary for the creation of sports wagering markets and determining bet outcomes to operators or service providers must obtain a "sports wagering supplier license." [\[4\]](#) Under the statute, suppliers include providers of data feeds, risk management providers, and companies that facilitate or enable sports wagering in places of public accommodation.
- **Common licensee requirements apply.** Similar to many other states that have legalized sports betting, the statute establishes requirements for licensees that are intended to encourage and support responsible

sports wagering. These requirements include: (1) following the Commission's rules for a voluntary exclusion program; (2) submitting to regulatory audits; and (3) complying with marketing and advertising rules, including requirements to not target persons under age 21 and provide information about or links to resources related to gambling addiction in ad materials.

- **Noncompliance may result in meaningful penalties.** The Commission is authorized, subject to a hearing, to fine or revoke any licensee or to impose a maximum monetary penalty of \$10,000 for noncompliance.[\[5\]](#) Licensees also may be subject to criminal penalties for providing false information on the license.

North Carolina isn't the only state looking to get in on the sports betting action. Legislators in Georgia, Alabama, and Mississippi have recently pushed to legalize or expand sports betting in their own states. We provide a brief overview of those states below.

## Georgia

On February 1, 2024, Georgia's Senate passed a bill that would legalize online sports betting in the state. The bill, [SB 386](#), requires that the Georgia state constitution be amended. On February 27, 2024, the Senate passed [SR 579](#), which approves the required amendment and tees up a vote on the amendment by Georgia voters. Both SB 386 and SR 579 still need House approval to move forward with the statewide vote. The pending legislation would permit the licensing of online betting platforms, with licenses being administered by the Georgia Lottery Corporation. Seven Type 1 sports betting licenses would be available through a competitive public procurement process. A Type 1 licensee would be authorized to offer online sports betting to anyone physically located in Georgia.

## Alabama

Sports betting is not currently legal in Alabama, but legislators are pushing for that to change. On February 15, 2024, the Alabama House passed two bills which, if enacted, would overhaul the state's gambling landscape. [HB 152](#) would legalize in-person and online sports gambling and make changes such as creating the Alabama Gaming Commission, authorizing up to seven casinos to be built and operate in the state, and permitting a state lottery. On March 5, the Senate made major changes to the bills in passing them out of committee by removing the legalization of sports betting and casinos. Even if a reconciled bill includes sports betting and is approved by both the House and Senate, ultimate enactment will be a challenge. Like the legalization process in Georgia, HB 152 requires a constitutional amendment to become effective. [HB 151](#), the second House bill, formally proposes such an amendment. Alabama voters need to vote on the amendment, so the legalization of sports betting will not arrive until at least November 2024, when the first vote is expected to be held.

## Mississippi

Mississippi legislators are also trying to legalize online sports betting in their state. Although retail sports betting from specific physical locations is currently legal, online sports betting from any location over the internet is prohibited. On February 1, 2024, the Mississippi House passed [HB 774](#), which would legalize online gambling. If the bill becomes law, online platforms would be required to partner with a casino to offer online sports gambling. Online bettors located anywhere within Mississippi would be able to place bets with any online platform, despite the association with a particular physical casino. The bill has been turned over to the state Senate, which has until April 2, 2024, to vote on whether to pass the bill out of committee.

Many states have now legalized some form of online sports wagering. The momentum across states to legalize online and mobile sports wagering continues to grow, as additional states like those listed above draft new bills

or update existing regulations. Operators and businesses should continue to monitor for updates to state laws and regulations.

## **Endnotes**

[1] [NC G.S. §18C-902\(a\), \(b\)](#).

[2] [NC G.S. §18C-904](#).

[3] [NC G.S. §18C-906](#).

[4] [NC G.S. §18C-907](#).

[5] [NC G.S. §18C-916\(a\)\(2\)](#).

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