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New Year, New Gaming and Sports Initiatives: Bills, Launches, and Regulations

January was a busy month in the world of sports betting and gaming. Several states implemented new initiatives, including releasing regulations, launching sports betting operations, considering new legislation, and shifting regulatory authority.

Below is an update on the legislation and regulatory schemes for Arkansas, Louisiana, New Jersey, California, Georgia, Hawaii, Indiana, Nevada, Ohio, Oregon, and Tennessee.

Off and Running

ARKANSAS

- On December 30, 2021, the Arkansas Racing Commission voted to amend the state's proposed casino gaming rules to authorize online sports betting throughout the state.
- However, on January 25, 2022, the Commission requested the Arkansas Legislative Council to table the consideration of the rules until the Council's next meeting in March.
- A spokesman from the Arkansas Department of Finance and Administration, Scott Hardin, stated that the delay "will allow several questions to be addressed that were recently raised by legislators and others." ([Arkansas Times, "Sports betting rule on hold for 'questions'"](#)).
- The one-word change from "revenue" to "receipts" prompted the delayed launch but reopened the door for discussions about the current proposed rule which would grant casinos 51 percent of the proceeds from their partnered online bookmakers, which some parties

argue is required by Amendment 100 to the Arkansas Constitution. ([Withdrawal of proposed Arkansas mobile gambling rules means casinos won't be able to take bets on Feb. 13 Super Bowl \(arkansasonline.com\)](#)).

- Due to the delay, Arkansas casinos will not be able to accept mobile sports wagers for the 2022 Super Bowl.

LOUISIANA

- On January 28, 2022, Louisiana's long-awaited mobile sports wagering operation went live.
- Mobile sports betting is now available in 55 of the state's 64 parishes after being approved by voters in 2020.
- The regulatory framework began accepting and approving applications in 2021, with retail sports betting launching in November 2021.

- In a statement issued to the [USA Today Network](#), the Louisiana Gaming Control Board Chair Ronnie Johns stated “Our goal was to have it available before the Super Bowl, so we were able to beat that target.”

NEW JERSEY

- On January 25, 2022, the New Jersey Division of Gaming Enforcement authorized the first esports betting operator, Esports Entertainment Group, to launch a “soft play” period to accept bets on esports games.
- Esports Entertainment Group will use its betting platform VIE.gg and is affiliated with Bally’s Atlantic City.
- The Division of Gaming previously approved esports wagering on a case-by-case basis for events and tournaments, but this authorization is for an ongoing period without additional regulatory approval.

Bills and Initiatives Being Contemplated

CALIFORNIA

- California is an important state to watch in the sports betting legalization movement of 2022.
- At least one initiative is scheduled to go before California voters for approval in November 2022. The so-called “Tribal Measure” promoted by a group of California casino-owning tribes would authorize retail-only sports betting at properties owned by the tribes and certain horse racetracks, but not online (and would also seek to restrict certain current activities by the state’s card clubs).
- Three other initiatives that are vying to get enough signatures to get on the ballot would either (a) allow card rooms to take sports wagers, (b) allow online sports wagering broadly in the state, or (c) supplement the “Tribal Measure” to allow online betting controlled by the tribes.
- The California Legislature could, sometime before June, put its own sports wagering ballot measure on the November ballot (either in addition to or in replacement of one of the three proposed initiatives that have not yet qualified for the ballot).

GEORGIA

- Georgia is another state to watch in the sports betting legalization movement of 2022.
- Last week, Georgia legislatures spent time considering sports wagering legislation.

- According to State Senator Brandon Beach, “[sports betting] is going on anyway through bookies and so on. We might as well generate the revenue that we can do and get it done right.” ([11 Alive](#), “[Georgia gambling bill gaining traction](#)”).

HAWAII

- On January 21, 2022, Hawaii State Representative John Mizuno introduced House Bill 1815 to legalize sports betting in the state.
- The Bill, if passed, would place a 55 percent tax on sports betting operators—the highest tax rate in sports betting in the United States.
- In a statement issued to [Sports Handle](#), Mizuno stated the Bill is modeled off of New York’s legislation. Further, he commented “We turn to states like New York, and say look, they’ve done a respectable job on this, and look at the value the taxes bring. I’m trying to create that image. People are going to gamble anyway, let’s tax it for the benefit of health and human services.”

INDIANA

- For a second straight year, Indiana’s igaming efforts failed to reach the legislative floor for any kind of vote.
- The Public Policy Committee kept HB 1337 and HB 1356, bills which aimed to legalize online casino gaming, within the Committee and did not move the bills forward.
- Given the upcoming state election this year, the uncertainty surrounding igaming legalization may have stalled the bills’ progress, but igaming will likely return in 2023. ([Hoosier State Bets - Online Casino Gaming Again Fails](#)).

Update on Regulations

NEVADA

- Nevada Gaming Control Board appointed an Esports Technical Advisory Committee to expand esports wagering without requesting special permission.
- Casinos in Nevada must currently request permission to allow wagers on esports tournaments and events.
- The committee was appointed pursuant to Nevada Senate Bill No. 165, Chapter 443 in November 2021, and given the pressure from New Jersey’s launch, the committee will likely be busy in 2022.

- The new committee is chaired by Paul Hamilton, co-owner and CEO of Atlanta Esport Ventures, and includes Seth Schorr, CEO of Fifth Street Gaming; Brandon Snow, head of esports for Activision Blizzard; Brett Abarbanel, director of research at UNLV's International Gaming Institute; Lovell Walker, vice president of development for Penn National Gaming; Jud Hannigan, CEO of Allied Esports; and, Christian Bishop, chief revenue officer for Method.

OHIO

- On January 31, 2022, the Ohio Casino Control Commission uploaded its [third batch](#) of rules to its website for comments. The comment period closes February 11, 2022.
- The third batch concerns involuntary exclusions, Type-C entity licensing (proprietors with liquor or lottery permits who apply to provide kiosks), and the voluntary exclusion program and responsible gambling plans.
- On January 24, 2022, the Ohio Casino Control Commission uploaded its [second batch](#) of rules to its website for comments. The comment period closes February 4, 2022.
- The second batch provides comments for general licensing requirements, Type-A proprietor licensing (online sports gaming, maximum of 25), Type-B proprietor licensing (brick and mortar sportsbooks, maximum of 40), services provider licensing, general wagering provisions, and equipment.
- These releases follow the [first batch](#) from January 18, 2022, on general provisions, provisional licensing, independent testing laboratories, and integrity monitoring providers. The comment period for the first batch closed on January 28, 2022.
- There will be additional time for comments when the rules are submitted to Ohio's Common Sense Initiative Office ("CSI"), although it is anticipated that the Commission will have more initial flexibility to review and substantively address comments prior to submittal to CSI.

OREGON

- On January 12, 2022, the Oregon Lottery announced that DraftKings will become Oregon's official sportsbook provider.

- On January 18, 2022, Oregon began the transfer from its previous app, Scoreboard, to DraftKings.
- This transfer follows DraftKings' acquisition of SBTech, the creator of the Scoreboard app.
- Oregon added to its Administrative Rules Sections 177-093-0000—177-093-0055, with the purpose stating "[t]hese rules establish the DraftKings Sportsbook Official Provider of the Oregon Lottery as a sports betting game authorized by the Oregon State Lottery Commission." § 177-093-0000.
- In a statement to [Oregon Live](#), Matt Shelby, Senior Manager of Community & Corporate Engagement for the Oregon Lottery, stated "One, (DraftKings) is going to be better and easier to navigate for players. Also, from a lottery perspective... it'll cost less to offer sports betting."

TENNESSEE

- As of January 1, 2022, Tennessee's Sports Wagering Council, not the Tennessee Education Lottery Corporation ("TELC"), is responsible for regulating online sports wagering.
- This transition is pursuant to 2021 Public Acts, chapter 593, where the Tennessee General Assembly shifted rulemaking and regulation authority to the Council.
- Industry observers applaud the shift, recognizing that the TELC was not the appropriate governing authority to manage sports betting.

For additional information or assistance, contact a member of Blank Rome's [Gaming group](#) or

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