

# **WEST VIRGINIA LEGISLATURE**

## **2023 REGULAR SESSION**

**Introduced**

### **House Bill 3232**

By Delegates Riley and Nestor

[Introduced February 02, 2023; Referred to the

Committee on the Judiciary]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
 2 designated §29-22D-25, relating to amend the regulation of fantasy gaming competitions  
 3 and implementation of sports wagering by allowing the West Virginia State Gaming Control  
 4 Board to accredit independent evaluators to audit and opine on the sports betting content  
 5 directly or indirectly affiliated with mobile sports wagering licensees.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 3. PROVISIONS AS TO CONSTRUCTION.**

**§29-22D-25. Regulation of fantasy gaming competitions and sports wagering through independent evaluations.**

1 (a) Criteria and definitions. – Independent evaluators, at a minimum, must meet the  
 2 following criteria:

3 (1) Audit process must be constructed, executed, and maintained by no less than one in-  
 4 house, active CPA. Audit process must test for all key assertions: completeness, existence,  
 5 accuracy, valuation, presentation, occurrence, and presentation;

6 (2) Inability for the results or any other data attribute of the sports betting content to be  
 7 adjusted, duplicated, altered, in anyway by the experts or influencers, mobile sports wagering  
 8 licensees, and/or content partners after the related sports betting content event begins;

9 (3) No conflicts shall exist for those running the independent evaluator, including the  
 10 following criteria:

11 (A) No employee or founder may also be engaged in sports betting content or a sports  
 12 betting content platform – through direct relationship (such as working for, creating, selling or  
 13 otherwise), investment, advising; and

14 (B) May not have cost per acquisition and/or revenue sharing affiliate relationships or links  
 15 to a sports book operator and/or peer-to-peer betting platforms.

16 (C) This does not limit a sports book operator and/or sports betting content platform’s  
 17 marketing of their performance by the independent evaluator, provided those marketing materials

18 display accurate attributes.

19 (4) Core business must be in performance evaluation/ratings and audit practice of sports  
20 betting content.

21 (5) Must have been actively executing core business and be an established business for  
22 no less than one year.

23 (b) Sports betting content is classified as predictions of sporting events outcomes in total or  
24 in part, including but not limited to, moneylines, against the spread, totals, futures, propositions  
25 (game and player), parlays, or otherwise. This could include free predictions, subscription/sold  
26 predictions, and/or affiliate or other partnership.

27 (c) Experts or Influencers, also referred to as sharps, touts, handicappers, or otherwise,  
28 are defined as those who create sports betting content for mobile sports wagering licensees, for  
29 their own benefit, and/or content partners.

30 (d) Content partners are defined as platforms or individuals who create sports betting  
31 content for sports wagering licensees through a contracted work, affiliate or otherwise.

32 (e) *Enactment.* - The West Virginia State Lottery Commission shall accredit certain  
33 Independent Evaluators to evaluate sports betting content, specifically from experts or influencers  
34 for mobile sports wagering licensees and their content partners. The West Virginia State Lottery  
35 Commission shall have a three-month timeline to identify and accredit independent evaluators.  
36 Once complete, mobile wagering licensees, experts or influencers, and content partners will have  
37 three-months to select an independent evaluator. Reporting from the independent evaluator to the  
38 West Virginia State Lottery Commission shall occur quarterly. The West Virginia State Lottery  
39 Commission may determine material misrepresentations from the independent evaluators reports  
40 warrant explanation or further action. Those are to be settled between the mobile wager licensee,  
41 experts or influencers, content providers and the West Virginia State Lottery Commission and the  
42 Attorney General's Office. Those licensees who do meet the criteria for independent evaluator  
43 services – based on sports betting content, experts or influencers, and/or content partners

44 definition – will have their independent evaluator fees supplemented by the state of West Virginia  
45 until such time they become financial capable to do so, as decided by the state of West Virginia.