

205 CMR 219.00: TEMPORARY LICENSING PROCEDURES

Section

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219.01: Eligibility to Request a Temporary License

A Person shall be eligible to request a Temporary License if:

- (a) The Commission deems it eligible in accordance with 205 CMR 218.07(1)(a); or
- (b) The Commission awards it a Sports Wagering License in accordance with 205 CMR 218.07(1)(b); or
- (c) It has received leave to request a renewed Temporary License in accordance with 205 CMR 219.04.

219.02: Temporary License Request Process

(1) Any Person who is eligible to request a Temporary License may submit a request for a Temporary License to the Executive Director on a form to be approved by the Commission. Such request shall be accompanied by an initial licensing fee of \$1,000,000 payable to the Commission.

(2) Upon receiving a request for a Temporary License, the Executive Director or their designee shall within fourteen days determine whether the requestor is eligible to request a Temporary License and has paid the initial licensing fee as described in 205 CMR 219.02, and make a written recommendation to the Commission as follows:

- (a) If the Executive Director determines that the requestor is eligible and has paid the initial licensing fee, they shall recommend to the Commission that the Commission issue the requested Temporary License.
- (b) If the Executive Director determines that the requestor is not eligible or has not paid the initial licensing fee, they shall recommend to the Commission that the Commission deny the requested Temporary License.

(3) Upon receiving a recommendation from the Executive Director in accordance with 205 CMR 219.02(2), the Commission shall, at an open public meeting held within 14 days, either issue or deny the requested Temporary License.

- (a) The Commission shall send written notice of the public meeting to the requestor at least seven days in advance of the meeting.
- (b) The Commission may in its discretion receive comment or presentations from representatives of the requestor or from the public.

(4) Effective Date of Renewed Temporary Licenses. If the Operator already holds a Temporary License, and:

- (a) The Commission issues a renewed Temporary License before the expiration of the prior Temporary License: the effective date of the renewed Temporary License shall be the day after the prior Temporary License expires.
- (b) The Commission issues a renewed Temporary License during the period where the prior Temporary License remains in effect because of 205 CMR 219.03(3): the effective date of the renewed Temporary License shall be the day after the day the prior Temporary License would have expired if not for 205 CMR 219.03(3).
- (c) Otherwise, the effective date of the renewed Temporary License shall be the day after the Commission's vote to issue the renewed Temporary License.

(5) Any Temporary License shall be subject to conditions in accordance with M.G.L. c. 23N and 205 CMR 220.00: *Sports Wagering: License Conditions*.

219.03: Temporary License Expiration

- (1) The first Temporary License granted to an Operator in the Commonwealth shall expire after one year.
- (2) The Operator's second and subsequent Temporary Licenses shall each expire after one year, or after the Commission makes a supplemental determination of suitability and awards a Sports Wagering License in accordance with 205 CMR 218.06(7), whichever is shorter.
- (3) Non-expiration of licenses while timely request for leave to obtain a renewed temporary license is pending.
 - (a) If an Operator has submitted a timely application for leave to request a renewed Temporary License, the Operator's Temporary License shall not expire until:
 1. the application has finally been determined by the Commission; or
 2. the operator fails to cure a deficiency within the time permitted by 205 CMR 219.04(2)(c).
 - (b) An application for leave to request a renewed Temporary License shall be considered timely if it has been submitted within the time permitted, as applicable, by 205 CMR 219.04(5) or 205 CMR 219.04(2)(c).
- (4) Limited Extension to Wind Down Sports Wagering Operations. Except as required by other regulations or a lawful order of the Commission: if the Commission denies a request for leave to obtain a renewed Temporary License, the Operator's Temporary License shall expire no sooner than two weeks after the date on which the Commission denies the renewal, or upon such later date as the Commission determines is necessary to allow wind down of the Operator's operations in the Commonwealth.

219.04: Applying for Leave to Obtain a Renewed Temporary License

- (1) Applications for leave to request a renewed Temporary License shall be submitted to the Executive Director on a form approved by the Commission.
- (2) Administrative Sufficiency Review.
 - (a) The Commission's Division of Licensing will review each application for leave for administrative sufficiency.
 - (b) When determining whether an application for leave is administratively sufficient, the Division of Licensing shall review only the form required by 205 CMR 219.04(1), and only determine whether all information or materials required to be provided in response to each question or request has been submitted.
 - (c) If an application for leave is determined to be insufficient:
 1. The Division shall notify the Operator by email. The notification shall specifically identify the deficiencies.
 2. The Operator shall have the right to submit supplemental or corrected information to cure the deficiencies within one month.
 3. For each deficient request component, the one-month period established in 205 CMR 219.04(2)(c)2. shall begin the day after:
 - a. The last date to submit an application for leave to request a renewed temporary license, as established by 205 CMR 219.04(5), if that date has not passed; or
 - b. The date on which the notification sent pursuant to 205 CMR 219.04(2)(c)1. was sent, if the last date to submit an application for leave to request a renewed temporary license, as established by 205 CMR 219.04(5), has passed.
- (3) In reviewing the application for leave to request a renewed Temporary License, the Commission may, at such times and in such order as the Commission deems appropriate, take any of the actions listed in 205 CMR 218.04(1).
- (4) The Commission shall, at an open public meeting, either grant or deny leave to obtain a renewed Temporary License. The Commission shall send written notice of the public meeting to the requestor at least 14 days in advance of the meeting.
- (5) Applications for leave to obtain a renewed Temporary License: timing, evaluation, and fees.
 - (a) First, Second, Fourth, and Fifth Temporary License Renewals.

219.04: continued

1. Timing: An Operator may submit an application for leave to obtain a renewed Temporary License no sooner than ten months nor later than 11 months after the effective date of the prior Temporary License.
 2. Evaluation: in determining whether to grant or deny the application for leave, the Commission may consider, in its discretion, any appropriate factor.
 3. Fee: the application for leave shall be accompanied by a nonrefundable application fee of \$10,000 to defray the costs associated with the processing of the application and investigation of the licensee. Except for the dollar amount of the fee, said fee shall be subject to the provisions of 205 CMR 214.01 and 205 CMR 214.02.
- (b) Third Temporary License Renewal.
1. Timing: an Operator may submit an application for leave to obtain a renewed Temporary License no later than three months after the effective date of the prior Temporary License.
 2. Evaluation:
 - a. Before the Commission may grant the Operator's application for leave, the Bureau shall conduct an investigation into the qualifications and continued suitability of the Operator and its Qualifiers, and submit a written report to the Commission, consistent with 205 CMR 215.01(2)(b).
 - b. In determining whether to grant or deny the application for leave, the Commission may consider, in its discretion, any appropriate factor.
 3. Fee: the application for leave shall be accompanied by a nonrefundable application fee of \$50,000 to defray the costs associated with the processing of the application and investigation of the licensee. Except for the dollar amount of the fee, said fee shall be subject to the provisions of 205 CMR 214.01 and 205 CMR 214.02.
- (c) Sixth and Subsequent Temporary License Renewals.
1. Timing: an Operator may submit an application for leave to obtain a renewed Temporary License no later than three months after the effective date of the prior Temporary License.
 2. Evaluation:
 - a. Within one month of a positive determination of administrative sufficiency, the Commission may instruct the Bureau to conduct an investigation and submit a written report to the Commission. The investigation and written report shall address any topic directed by the Commission, and, in the Bureau's discretion, any other topic. If the Commission so instructs the Bureau, the Commission shall receive the Bureau's report before it may grant the Operator's application for leave. Otherwise, the Commission may grant the Operator's application for leave without receiving a report from the Bureau.
 - b. In determining whether to grant or deny the application for leave, the Commission may consider, in its discretion, any appropriate factor. In addition, the Commission shall determine whether any delays in making a supplemental determination of suitability are primarily attributable to the Operator and its Qualifiers, and the Commission and its staff.
 - c. Fee: the application for leave shall be accompanied by a nonrefundable application fee of \$25,000 to defray the costs associated with the processing of the application and any investigation of the licensee. Except for the dollar amount of the fee, said fee shall be subject to the provisions of 205 CMR 214.01 and 205 CMR 214.02.
- (d) The Commission may, in its discretion, extend the time for filing a complete application for leave to enable an Operator to cure a deficiency in its application, provided that the application for leave was submitted before the established deadlines, or to provide a reasonable additional time for filing in cases where extraordinary circumstances prevented a timely filing.
- (e) The Executive Director shall deny, without prejudice, any renewal request not accompanied by the required application fee.

REGULATORY AUTHORITY

205 CMR 219.00: M.G.L. c. 23N, § 4.