

Nevada Laws on Esports Wagering

JOHN S. MICHELA
SENIOR DEPUTY ATTORNEY GENERAL
GAMING DIVISION

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Senate Bill 165
(2021)

The Esports Technical Advisory
Committee:

“shall provide recommendations to the [Nevada Gaming Control] Board on any guidelines and parameters that are necessary to safeguard the integrity of Esports when wagers are placed at such competitions.”

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Esports are regulated as “other events.”

- 2009 – Legislature creates “other events.”
- 2011 – Regulatory structure for “other events” adopted by NGC.
- 2015 – Virtual events created.
- 2016 – Gaming Policy Committee discusses wagering on Esports as “other events.”
- 2017 – Pari-mutuel wagering authorized for “other events.”
- 2019 – Regulatory structure for “other events” updated.

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Current Nevada Esports Regulatory Structure

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Esports Wagering Approval Methods

- 1) Approval of Individual Events
- 2) Pre-approved Events
- 3) Approval of Sanctioning Organization

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Approval of Individual Events

Approval is by the Chair.
Only method of approval of wagering on Esports events until 2019.

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Approval of Individual Events

“Chair” is defined as Nevada Gaming Control Board Chair or the Chair’s designee.
In practice, the Chair’s designee has been someone in the Board’s Enforcement Division.
The Enforcement Division vets the requests for approval of wagering on Esports.

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Approval of Individual Events

A licensed book makes a request for approval of wagering on an event at least 30 days in advance which includes:

- A full description, the manner in which wagers would be placed, and the manner in which winning wagers would be determined;
- A full description of the technology;
- Integrity information;
- Complete rules and voting procedures; and
- Additional information required.

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Approval of Individual Events

The required integrity information must demonstrate:

- There is effective supervision;
- There are integrity safeguards;
- The outcome is verifiable;
- The outcome is generated by a reliable and independent process;
- The outcome is unlikely to be affected by any wager placed;
- The event complies with any applicable laws;
- And...

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Approval of Individual Events

- Approving the event comports with Nevada public policy.
 - See NRS 463.0129.
 - Essentially:
 - Nevada strictly regulates gaming
 - For the protection of the public health, safety, morals, good order, and general welfare of the inhabitants of Nevada and
 - Ensures that gaming is conducted honestly, competitively, and free from criminal and corruptive elements.

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Approval of Individual Events

The Chair may approve or deny the request.

An approval may be limited, restricted, and/or conditioned.

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Approval of Individual Events

The Chair may refer a request to the full Board and Commission for the decision as to whether to allow wagering on an event.

The Board would consider and make a recommendation to the Commission.

The Commission would give final approval for a request.

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Approval of Individual Events

Interlocutory Orders

- If an issue arises during an event, the Chair or designee may issue an interlocutory order revoking or suspending the approval to take wagers on the event.

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Approval of Individual Events

Review

- If approval to take wagers on an event is denied, revoked, or suspended, review of such decision is authorized.
 - By the full Board.
 - By the Commission if a licensee is unhappy with the decision of the Board.

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Approval of Individual Events

Upon approval of a request allowing books to take wagers on Esports:

- Notice is posted on the Board's website.
- Any licensed book may accept wagers on the event.

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Approval of Individual Events

Recent Esports approvals:

- 2020 ESL One-DOTA 2 Birmingham
- 2020 DreamHack Masters Spring
- 2020 ESL One: Road to Rio
- ESL One Rio CS:GO Major 2020
- 2020 Call of Duty League

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Pre-approved Events

List of pre-approved events.

Open to previously approved individual events.

Chair or designee decides whether to add an event to the list.

Individual approval of wagering on an event is not necessary if it is on the list.

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Pre-approved Events

Esports pre-approved events:

- Golden Tee World Championship

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Approval of Sanctioning Organization

List of Sanctioning Organizations.

Chair places Sanctioning Organizations on the list.

Chair may place on list with or without a request from the Sanctioning Organization.

Individual approval of wagering on an event is not necessary if the event is sanctioned by an organization on the list.

To date, no sanctioning organizations are on the list.

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Additional Current Integrity Controls

No wagering by Esports officials, owners, coaches, staff of a participant or team, or participants. Regulation 22.1205.

Suspicious transactions involving Esports wagering are required to be reported. Regulation 22.121.

No past-post wagering. Regulation 22.145.

No out-of-state wagering. Regulation 22.145.

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