

PROPOSED AMENDMENTS TO REGULATION 22.010 AND PROPOSED NEW REGULATIONS 22.025 AND 22.215

PURPOSE: In accordance with NRS 463.145, NRS 463.150, to amend the definitions of “account wagering system” and “call center system” in Regulation 22.010; to create a new Regulation 22.025 to provide for information service license and application requirements; to create a new Regulation 22.215 to clarify a licensed book’s responsibilities for services provided to it by a licensed information service; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

REGULATION 22

RACE BOOKS AND SPORTS POOLS

(Draft Date: April 18, 2022)

New
~~{Deleted}~~

22.010 Definitions. As used in this regulation:

1. “Account wagering system” means ~~{a system of wagering using telephone, computer or other method of wagering communication as approved by the Chair whose components shall be located in this State}~~ the interconnected components used to conduct race book or sports pool wagering with communications technology. ~~{The components shall include, but not be limited to, the systems operator, permanent information databases, system monitoring equipment, writers, and patron service representatives.}~~

2. [No change]

3. [No change]

4. “Call center system” means a computerized system, or a component of such a system, that is used to receive and transmit wagering instructions from a patron to a licensed book. A call center system specifically includes, but is not limited to, sports wagering applications. ~~{The call center system shall be located within Nevada.}~~

5. [No change]
6. [No change]
7. [No change]
8. [No change]
9. [No change]
10. [No change]
11. [No change]
12. [No change]
13. [No change]
14. [No change]
15. [No change]
16. [No change]
17. [No change]
18. [No change]
19. [No change]
20. [No change]
21. [No change]
22. [No change]
23. [No change]
24. [No change]
25. [No change]
26. [No change]
27. [No change]
28. [No change]
29. [No change]

30. [No change]

22.025 Information service license and application requirements.

1. No person may operate an information service in Nevada unless that person holds an information service license issued by the Commission.

2. Application.

(a) Applications for an information service license shall be made, processed, and determined in the same manner as applications for nonrestricted licenses, using such forms as the Chair may require or approve.

(b) In addition to the criteria set forth in NRS 463.170, any person applying for an information service license must demonstrate and affirm the following:

(1) That the person does not have any agreements with third parties designed to avoid the licensure of the third party as an information service;

(2) That the person will generate its sports related facts, opinions, and analysis internally or obtain them from multiple unaffiliated sources; and

(3) That the person will generate a product for sports pools that is unique to the licensed information service;

3. Any person granted an information service license shall continue to comply with paragraph (b) of subsection 2. The failure to comply with paragraph (b) of subsection 2 is an unsuitable method of operation and constitutes grounds for disciplinary action.

22.215 Licensed book's responsibility for services provided by licensed information service.

A book that is assisted by a licensed information service shall exercise oversight and control of the services provided to the book. Such oversight and control includes, without limitation, the creation, implementation, and ongoing monitoring of written procedures that:

1. Except as provided by subsection 3, require the book to review and approve any information provided by the information service prior to the book using such information to aid in the placing of wagers and document such review and approval.

2. Establish that the book has the authority to override, reject or change any information provided by an information service to aid in the placing of wagers.

3. If pre-established parameters are used by the information service in providing information to a book to aid in the placing of wagers, require that the book review and approve any such parameters, or any changes to previously approved parameters, and document such review and approval.