

**LAW AND PUBLIC SAFETY**

**DIVISION OF GAMING ENFORCEMENT**

**Internet and Mobile Gaming**

**General Requirements for Internet and Mobile Gaming**

**Proposed Amendment: N.J.A.C. 13:690-1.2**

Authorized By: David Rebeck, Director, Division of Gaming Enforcement.

Authority: N.J.S.A. 5:12-69.a, 69.e, 70.a and b, 95.17, and 100.b and h.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2015-162.

Submit written comments by February 5, 2016, to:

Robert Moncrief, Deputy Attorney General

Division of Gaming Enforcement

1300 Atlantic Avenue

Atlantic City, NJ 08401

Or electronically at: [rulecomments@njdge.org](mailto:rulecomments@njdge.org)

The agency proposal follows:

**Summary**

Currently, pursuant to N.J.A.C. 13:690-1.2, General requirements for Internet and mobile gaming, all terms and conditions for Internet or mobile gaming shall be included as an appendix to the internal controls of the licensee addressing all aspects of the operation. These terms and conditions shall include, in part, that an Internet or mobile gaming system may offer games that do not require a wager or payment from a patron's Internet gaming account to patrons who have not exceeded any daily time-based limit, provided that the games comply with certain

requirements. One of the requirements is that games other than those approved by the Division that are traditionally played on social networks and may require a payment for certain game features, shall not be fundable or accessible from a patron's Internet gaming account.

The proposed amendment to N.J.A.C. 13:69O-1.2(s) amends the regulation to allow a payment for certain game features from a patron's Internet gaming account provided that the operator provides a clear and conspicuous notice on the initial screen of any social game and in its terms and conditions that such social games are not regulated by the Division.

This notice of proposal is not required to be referenced in a rulemaking calendar since a public comment period of 60 days is being provided. See N.J.A.C. 1:30-3.3(a)5.

### **Social Impact**

The proposed amendment should allow for flexibility in the design of Internet gaming operator websites and allow operators to expand their offerings to patrons.

### **Economic Impact**

The proposed amendment is not anticipated to have any economic impact as it does not create a new business opportunity or increase regulatory burdens, rather it allows for Internet gaming account funds a type of game that operators may already offer separately.

### **Federal Standards Statement**

A Federal standards analysis is not required because the amendment contained in this proposal is mandated by the provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., and is not subject to any Federal requirements or standards.

### **Jobs Impact**

The proposed amendment will not have any impact on the number of jobs in the State of New Jersey.

### **Agriculture Industry Impact**

The proposed amendment will have no impact on the agriculture industry in New Jersey.

### **Regulatory Flexibility Statement**

The proposed amendment will only affect the operations of New Jersey casino licensees, none of which qualifies as a "small business" as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., because they employ more than 100 persons full-time in the State of New Jersey. Accordingly, a regulatory flexibility analysis is not required.

### **Housing Affordability Impact Analysis**

The proposed amendment will have an insignificant impact on affordable housing in New Jersey and there is an extreme unlikelihood that the proposed amendment would evoke a change in the average costs associated with housing because the proposed amendment concerns the conduct of gambling at New Jersey casinos.

### Smart Growth Development Impact Analysis

The proposed amendment will not have an impact on smart growth and there is an extreme unlikelihood that the proposed amendment would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the proposed amendment concerns the conduct of gambling at New Jersey casinos.

**Full text** of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

#### 13:69O-1.2 General requirements for Internet and mobile gaming

(a) – (r) (No change)

(s) An Internet or mobile gaming system may offer games that do not require a wager or payment from a patron's Internet gaming account to patrons who have not exceeded any daily time-based limit, provided that the games comply with the following requirements:

1.– 2. (No change.)

3. Games traditionally played on social networks that may require a payment for certain game features (social games) [shall not] **may** be fundable or accessible from a patron's Internet gaming account **provided that the operator provides a clear and conspicuous notice on the initial screen of any social game and in its terms and conditions that such social games are not regulated by the Division.**

(t) – (y) (No change.)