

**LAW AND PUBLIC SAFETY**

**DIVISION OF GAMING ENFORCEMENT**

**Internet and Mobile Gaming**

**System Standards and Operational Controls**

**Proposed Amendment: N.J.A.C. 13:69O-1.4**

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

Authority: N.J.S.A. 5:12-69.a, 69.e, 70.a and b, 76, 95.17, 95.25, and 100.b and h.

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

Proposal Number: PRN 2015-163.

Submit written comments by February 5, 2016, to:

Robert A. Moncrief Jr., Deputy Attorney General

Division of Gaming Enforcement

1300 Atlantic Ave. – 4th Floor

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. 13:69O-1.4, Internet or mobile gaming system standards and operational controls, Internet or mobile gaming systems shall utilize sufficient security measures in order to ensure secure communications between a client terminal and the Internet or mobile gaming systems, and to protect the patron's accounts by employing mechanisms to suspend accounts and establish responsible gaming limits.

Proposed new N.J.A.C. 13:69O-1.4(u) sets forth additional measures to allow Internet gaming operators to utilize celebrity or other players to participate in peer to peer games for advertising or publicity purposes, and allows such players to have their accounts funded in whole or in part by an Internet gaming operator. Internet gaming operators may pay a fee to the celebrity players. If an Internet gaming operator employs a celebrity player and does not permit the celebrity player to retain the winnings generated, the Internet gaming operator shall include those winnings as Internet gaming gross revenue in a manner approved 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 may have a social impact in that an Internet and mobile gaming site may have more funds to hire celebrity players, and therefore that site may generate more Internet traffic and may be more desirable to patrons.

### **Economic Impact**

The proposed amendment may have the effect of increasing revenue generated by casino licensees.

### **Federal Standards Statement**

A Federal standards analysis is not required because the proposed amendment is authorized by the provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., and is not subject to Federal law.

### **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 agriculture in New Jersey.

### **Regulatory Flexibility Statement**

The proposed amendment will primarily 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 no impact on the affordability of housing in the State of New Jersey because it affects the regulation of casinos in Atlantic City.

### **Smart Growth Development Impact Analysis**

The proposed amendment will have no impact on housing production in Planning Areas 1 and 2, or within designated centers, under the State Development and Redevelopment Plan because it affects the regulation of casinos in Atlantic City.

**Full text** of the proposal follows (addition indicated in boldface **thus**):

13:69O-1.4 Internet or mobile gaming system standards and operational controls

(a) – (t) (No change.)

**(u) Internet gaming operators may utilize celebrity or other players to participate in peer to peer games for advertising or publicity purposes. Such players may have their accounts funded in whole or in part by an Internet gaming operator. An Internet gaming operator may pay a fee to the celebrity player. If a celebrity player is utilized and the celebrity player generates winnings that the Internet gaming operator does not permit the celebrity player to retain, such winnings shall be included as Internet gaming gross revenue in a manner approved by the Division.**