

24 NCAC 06B .0304 DATA SOURCES FOR SPORTS WAGERING

(a) An Operator shall report to the Commission and Director the Data Sources that it uses to resolve Sports Wagers. The Commission may disapprove of a Data Source for any reason.

(b) Data Sources shall be subject to the following conditions:

- (1) The Data Source and corresponding data shall be complete, accurate, reliable, timely, and available.
- (2) The Data Source shall be appropriate to settle the category of Sporting Events and Wager Types for which it is used.
- (3) The proprietor or manager of a Data Source that provides data directly to an Operator shall be Licensed by the Commission as a Supplier.
- (4) The Data Source and corresponding data shall meet other conditions set by the Commission.

(c) Operators are not required to use Official League Data for determining:

- (1) the results of Tier One Sports Wagers on Sporting Events of an organization whether headquartered in the United States or elsewhere; or
- (2) the results of Tier Two Sports Wagers on Sporting Events of organizations that are not headquartered in the United States.

(d) A Sports Governing Body headquartered in the United States may notify the Commission that it desires Operators to use Official League Data to settle Tier Two Sports Wagers on Sporting Events of the Sports Governing Body. Notification shall be made in the form and manner as the Commission may require and shall include:

- (1) identification information for the Sports Governing Body;
- (2) identification and contact information for an Individual who will be the primary point of contact for issues related to the provision of Official League Data and compliance with the Act and these Rules;
- (3) identification and contact information for designees that are or will be expressly authorized by the Sports Governing Body to provide Official League Data in North Carolina;
- (4) copies of contracts relevant to the provision of Official League Data in North Carolina, including:
 - (A) copies of contracts between the Sports Governing Body and designees that are or will be expressly authorized by the Sports Governing Body to provide Official League Data in North Carolina;
 - (B) copies of contracts between the Sports Governing Body or its designees and Sports Wagering Operators in North Carolina; and
 - (C) a description of the Official League Data the Sports Governing Body desires to provide; and
- (5) other information required by the Commission.

(e) A Sports Governing Body may not submit a notification under Paragraph (d) of this Rule unless the Commission has authorized Operators to accept Tier Two Sports Wagers on athletic events of the Sports Governing Body.

(f) The Director shall notify Operators of a Sports Governing Body's notification within five Days of the Commission's receipt of the notification. If a Sports Governing Body does not so notify the Commission, an Operator is not required to use Official League Data for determining the results of Tier Two Sports Wagers on Sporting Events of that Sports Governing Body.

(g) Within 60 Days of the Commission notifying Operators of a Sports Governing Body notification to the Commission, or longer period as may be agreed between the Sports Governing Body and the applicable Operator, Operators shall use only Official League Data to determine the results of Tier Two Sports Wagers on Sporting Events of that Sports Governing Body, unless:

- (1) the Sports Governing Body or its designee cannot provide a data feed of Official League Data to determine the results of a particular type of Tier Two Sports Wager, in which case Operators are not required to use Official League Data for determining the results of the applicable Tier Two Sports Wager until a data feed becomes available from the Sports Governing Body on commercially reasonable terms and conditions;
- (2) an Operator demonstrates to the Commission that the Sports Governing Body or its designee will not provide a data feed of Official League Data to the Operator on commercially reasonable terms and conditions; or
- (3) the designee of the Sports Governing Body does not obtain a Supplier License from the Commission to provide Official League Data to Operators to determine the results of Tier Two Sports Wagers, if and to the extent required by law.

(h) Beyond the 60 Day period referenced in Paragraph (g), an Operator may demonstrate at any time that the Sports Governing Body or its designee will not provide a data feed of Official League Data to the Operator on commercially reasonable terms and conditions, provided the parties have engaged in good-faith negotiations in connection with Official League Data and the Operator provides prior written notice to the Sports Governing Body.

(i) During the pendency of the Commission's determination as to whether a Sports Governing Body or its designee will provide a data feed of Official League Data on commercially reasonable terms, an Operator is not required to use Official League Data for determining the results of Tier Two Sports Wagers. The Commission's determination shall be made within 60 Days of the Operator providing the Commission with documentation that the Operator believes demonstrates that the Sports Governing Body or its designees will not provide a data feed of Official League Data to the Sports Wagering Operator on commercially reasonable terms. The following is a non-exclusive list of factors the Commission may consider in evaluating whether Official League Data is being offered on commercially reasonable terms and conditions for purposes of this Rule:

- (1) The extent to which Operators have purchased the same or similar Official League Data on the same or similar terms, particularly in jurisdictions where a purchase was not required by law, or was required by law, but only if offered on commercially reasonable terms.
- (2) The nature and quantity of the Official League Data, including its speed, accuracy, reliability, and overall quality, as compared to comparable non-official data.
- (3) The quality and complexity of the process used to collect and distribute the Official League Data as compared to comparable non-official data.
- (4) The availability of a Sports Governing Body's Tier Two Official League Data to an Operator from more than one authorized source.
- (5) Market information, including price and other terms and conditions, regarding the purchase by Operators of comparable data to settle Sports Wagers in this State and other jurisdictions.
- (6) The extent to which Sports Governing Bodies or their designees have made data used to settle Tier Two Sports Wagers available to Operators and terms and conditions relating to the use of that data.
- (7) Other information the Commission considers relevant.

(j) At any time, a Sports Governing Body may give written notification to the Commission and Operators to which the Sports Governing Body or its designee provides Official League Data that the Sports Governing Body intends to stop providing Official League Data. The written notification shall specify in the date on which the Sports Governing Body shall stop providing Official League Data. The date shall be no fewer than seven Days later than the date of the written notification. On receipt of the written notification, an Operator may use any Data Source that meets the requirements of Paragraph (b) of this Rule to determine the results of Tier Two Sports Wagers on athletic events of the Sports Governing Body.

(k) A Sports Governing Body on whose Sporting Events Sports Wagering is authorized may enter into commercial agreements with Operators or other entities in which the Sports Governing Body may share in the amount bet from Sports Wagering on Sporting Events of the Sports Governing Body. A Sports Governing Body is not required to obtain a License or another approval from the Commission to lawfully accept these amounts.

*History Note: Authority G.S. 18C-114(a)(14);
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