
ILLINOIS REGISTER

ILLINOIS GAMING BOARD

NOTICE OF EMERGENCY AMENDMENT

- 1) Heading of the Part: Sports Wagering
- 2) Code Citation: 11 Ill. Adm. Code 1900
- 3) Section Number: 1900.1460 Emergency Action:
New Section
- 4) Statutory Authority: Section 25-15 (b) of the Sports Wagering Act [230 ILCS 45/25-15 (b)] provides that: “The Board may adopt any rules the Board considers necessary for the successful implementation, administration, and enforcement of this Act, except for Section 25-70. Rules proposed by the Board may be adopted as emergency rules pursuant to Section 5-45 of the Illinois Administrative Procedure Act.”
- 5) Effective Date of Rule:
- 6) If this emergency rule is to expire before the end of the 150-day period, please specify the date on which it is to expire:
- 7) Date Filed with the Index Department:
- 8) A copy of the emergency amendment, including any material incorporated by reference, is on file in the Illinois Gaming Board’s principal office and is available for public inspection.
- 9) Reason for Emergency: The successful implementation of sports wagering and internet wagering systems requires constant regular updating of software systems for sports wagering. Such regular updating is not possible under current rule provisions. An emergency rule is necessary because multiple sports wagering and internet wagering systems are already online and operating within the state, and a comprehensive schema for ongoing deployment and periodic testing of updated software is required.
- 10) A Complete Description of the Subjects and Issues Involved: The current testing and certification rules for sports wagering systems are inadequate for addressing the reality of persistent software systems that must be regularly updated. Current rule provisions represent a combination of both of the existing casino and video gaming testing rules. They create a static system of initial testing and certification followed by installation, a model which has functioned for years handling individual video gaming terminals or electronic gaming devices but does not adequately serve the needs of either the Board or the industry with regard to sports wagering systems. Sports wagering systems, like any persistent software, need constant regular updates. Because of this, they do not fit the prior mold of one-time testing.

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The present emergency rulemaking governs the ongoing development and updating of sports wagering and internet wagering systems by doing the following:

Requiring re-testing and certification of software every six months.

Requiring notification to the Administrator of any substantial changes to the system, with the opportunity for the Administrator to compel additional testing.

Permitting emergency changes to the sports wagering system in certain circumstances.

Requiring documentation of the change management process in the internal control system.

- 11) Are there any other rulemakings pending to this Part? No
- 12) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate under 30 ILCS 805.
- 13) Information and questions regarding this rulemaking shall be directed to

Agostino Lorenzini
General Counsel
Illinois Gaming Board
160 North LaSalle Street
Chicago, Illinois 60601

IGB.RuleComments@igb.illinois.gov

The full text of the emergency amendment begins on the next page.

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TITLE 11: ALCOHOL, HORSE RACING, LOTTERY, AND VIDEO GAMING
SUBTITLE E: SPORTS WAGERING
CHAPTER I: ILLINOIS GAMING BOARD

PART 1900
SPORTS WAGERING

SUBPART A: GENERAL PROVISIONS

Section	
1900.110	Board Meetings
1900.120	Definitions
1900.130	Cooperation with Investigations
1900.150	Licenses Required
1900.160	Service Via E-Mail

SUBPART B: DUTIES OF LICENSEES

Section	
1900.210	General Duties of All Licensees
1900.220	Continuing Duty to Report Information
1900.230	Duties of Master Sports Wagering Licensees
1900.240	Duties of Licensed Suppliers
1900.250	Duties of Management Services Provider Licensees
1900.260	Duties of Official League Data Providers
1900.270	Duties of Occupational Licensees

SUBPART C: STANDARDS OF CONDUCT

Section	
1900.310	Grounds for Disciplinary Actions
1900.320	Economic Disassociation
1900.330	Record Retention
1900.340	Advertising and Marketing

SUBPART D: INVESTIGATING PROHIBITED CONDUCT

Section	
1900.410	Reporting Prohibited Conduct
1900.420	Referral of Investigations

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SUBPART E: LICENSING QUALIFICATIONS

Section

1900.500	Coverage of Subpart
1900.510	Suitability for Licensure
1900.520	Minimum Qualifications
1900.530	Identification and Requirements of Key Persons

SUBPART F: ONLINE LICENSE COMPETITIVE BIDDING

Section

1900.600	Coverage of Subpart
1900.610	Forms and Submissions
1900.620	Initial Competitive Selection
1900.630	Supplementary Competitive Selection

SUBPART G: LICENSING PROCEDURES

Section

1900.700	Coverage of Subpart
1900.710	Submission of Applications
1900.715	Disclosure of Ownership and Control
1900.720	Other Required Forms
1900.730	Licensing Procedures
1900.735	Issuance of License
1900.740	Renewal of Licenses
1900.750	Withdrawal of Applications and Surrender of Licenses
1900.755	Sports Facility Designee
1900.760	Transferability of Ownership Interest
1900.770	Annual Updates
1900.780	Recognition of Existing Board Licenses
1900.790	Temporary Operating Permits
1900.795	Temporary Identification Badge

SUBPART H: DENIALS OF APPLICATIONS

Section

1900.810	Coverage of Subpart
1900.815	Requests for Hearing
1900.820	Appearances

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1900.825	Appointment of Administrative Law Judge
1900.830	Discovery
1900.835	Subpoenas
1900.840	Motions for Summary Judgment
1900.850	Proceedings
1900.860	Evidence
1900.870	Prohibition on Ex Parte Communication
1900.880	Sanctions and Penalties
1900.890	Transmittal of Record and Recommendation to the Board
1900.895	Status of Applicant for Licensure Upon Filing Request for Hearing

SUBPART I: DISCIPLINARY PROCEEDINGS

Section	
1900.910	Coverage of Subpart
1900.915	Notice of Proposed Disciplinary Action
1900.920	Hearings in Disciplinary Action
1900.925	Appearances
1900.930	Appointment of Administrative Law Judge
1900.935	Discovery
1900.940	Subpoenas
1900.945	Motions for Summary Judgment
1900.950	Proceedings
1900.960	Evidence
1900.970	Prohibition on Ex Parte Communication
1900.980	Sanctions and Penalties
1900.990	Transmittal of Record and Recommendation to the Board
1900.995	Persons Subject to Proposed Orders of Economic Disassociation

SUBPART J: ACCOUNTING, RECORDS, AND DATA

Section	
1900.1000	Ownership Records
1900.1010	Accounting Records
1900.1020	Standard Financial and Statistical Records
1900.1030	Annual and Special Audits and Other Reporting Requirements
1900.1040	Wagering Tax
1900.1050	Reserve Requirements

SUBPART K: CONDUCT OF WAGERING

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Section

1900.1100	Commencement of Wagering
1900.1110	Temporary Suspension of Wagering
1900.1120	Prohibited Wagering Activity
1900.1130	Requests to Prohibit
1900.1140	Authorized Events and Competitions
1900.1150	Placement of Wagers
1900.1160	Redemption of Wagers
1900.1170	Cancelled or Void Wagers
1900.1180	General Conduct of Wagering
1900.1190	House Rules

SUBPART L: CONDUCT OF ONLINE WAGERING

Section

1900.1210	Internet Wagering – General
1900.1220	Sports Wagering Accounts
1900.1230	Client Requirements
1900.1240	Account Suspension
1900.1250	Responsible Gaming Limits

SUBPART M: TIER 2 WAGERING

Section

1900.1310	General
1900.1320	Official League Data
1900.1330	Commercial Reasonableness

SUBPART N: EQUIPMENT AND TESTING

Section

1900.1400	Technology Fee
1900.1410	Testing and Certification of Wagering Equipment
1900.1420	Wagering Equipment Requirements
1900.1430	Internet Wagering System Requirements
1900.1440	Transfer, Maintenance and Disposal of Wagering Equipment
1900.1450	Sports Wagering System Requirements
<u>1900.1460</u>	<u>Software Change Management</u>

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SUBPART O: INTERNAL CONTROLS

Section

- 1900.1500 General Requirements – Internal Control System
- 1900.1510 Approval of Internal Control System
- 1900.1520 Minimum Standards for Internal Control Systems

SUBPART P: FACILITIES AND OPERATIONS

Section

- 1900.1610 Wagering Locations
- 1900.1620 Sports Facilities
- 1900.1630 Inter-track Wagering Locations
- 1900.1640 Surveillance Requirements
- 1900.1650 Required Surveillance Equipment
- 1900.1660 Signage
- 1900.1670 Occupational License Badges

SUBPART Q: SELF-EXCLUSION

Section

- 1900.1710 Self-Exclusion Program
- 1900.1720 Distribution and Availability of Confidential Self-Exclusion List
- 1900.1730 Duties of Licensees Regarding Self-Excluded Persons
- 1900.1740 Effect of Enrollment

AUTHORITY: Implementing and authorized by the Sports Wagering Act [230 ILCS 45].

SOURCE: Emergency rules adopted at 44 Ill. Reg. 314, effective December 19, 2019, for a maximum of 150 days; emergency rules adopted at 44 Ill. Reg. 2900, effective January 28, 2020, for a maximum of 150 days; emergency rule effective December 19, 2019 amended by emergency rulemaking at 44 Ill. Reg. 4062, effective February 26, 2020, for the remainder of the 150 days; emergency rule effective January 28, 2020 amended by emergency rulemaking at 44 Ill. Reg. 4670, effective March 9, 2020, for the remainder of the 150 days; adopted at 44 Ill. Reg. 10581, effective June 4 2020; emergency amendment at 44 Ill. Reg. _____, effective _____, for a maximum of 150 days. _____.

SUBPART N: EQUIPMENT AND TESTING

Section 1900.1460 Software Change Management

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- a) After testing, certification, and installation of a sports wagering system, any further changes to the software of the system must be in compliance with this Section.
- b) The sports wagering system must be tested and re-certified at least once every six months.
- c) Changes to the sports wagering system
 - 1) New core functions
 - A) A “core function” is any function related to the placement, recording, and resolution of wagers, or any other function or feature that affects the security, integrity, availability, or record keeping of the sports wagering system.
 - B) Any new core function must be tested and certified by the Administrator in accordance with Section 1900.1410 prior to installation on a live sports wagering system.
 - 2) Substantial changes to core functions
 - A) A “substantial change” is any change that directly affects the functionality of a core function.
 - B) A master sports wagering licensee shall notify the Administrator prior to the installation of any substantial change to a core function on a live sports wagering system. The notification shall include a clear identification of the core function that is affected, an explanation of the reason for the change, and an identification of any critical files affected.
 - C) The Administrator or his or her designee may order that the substantial change be tested and certified in accordance with Section 1900.1410 prior to installation on a live sports wagering system.

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D) If the Administrator does not order testing and certification within three business days of the notification, the master sports wagering licensee may install the substantial change on the sports wagering system.

3) Changes to non-core functions

A) A “non-core function” is any other function of a sports wagering system that is not identified as a core function.

B) A master sports wagering licensee is not required to notify the Administrator of changes to non-core functions except when any such change is related to or impacts a core function.

4) Emergency Changes

A) When an unanticipated incident occurs that causes a disruption in the collection, accuracy, integrity, or availability of the sports wagering system, the master sports wagering licensee must notify the Board in accordance with Sections 1900.1450(k).

B) When such an incident is reported, the master sports wagering licensee may implement substantial changes to core functions of the sports wagering system without prior notification to the Administrator.

C) Emergency changes must be documented in the change log and the master sports wagering licensee shall notify the administrator immediately upon implementation of any emergency changes.

5) Logging

A) All changes to the sports wagering system must be recorded on a change log.

B) The change log must include date, summary of change, requestor, implementer, and results.

C) The change log must be made available to the Board upon request.

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- d) Each master sports wagering licensee shall include in its internal control system information detailing the software change management process for the sports wagering system, internet wagering system, client software, and any other software that is a component part of those systems. The internal control system must at minimum address the following:
- 1) Process description
 - A) Roles in change management process.
 - B) Handling requests for change.
 - C) Change classification procedure.
 - 2) Writing release notes.
 - 3) Administrator Notification Process.
 - 4) Change logging.

(Source: Added by emergency amendment at 44 Ill. Reg. _____, effective _____, for a maximum of 150 days)