

**CHAPTER 1407. SPORTS WAGERING TESTING AND CONTROLS—
TEMPORARY REGULATIONS**

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Authority

The temporary provisions of this Chapter 1407 issued under 4 Pa.C.S. §§ 1202(b)(30) and 13C03(b), unless otherwise noted.

Source

The temporary provisions of this Chapter 1407 adopted September 14, 2018, effective September 15, 2018, expire September 15, 2020, 48 Pa.B. 5728, unless otherwise noted.

§ 1407.1. Scope.

To ensure the integrity and security of sports wagering operations in this Commonwealth, the requirements of this chapter apply to all sports wagering certificate holders and sports wagering operator licensees seeking to offer sports wagering to patrons in this Commonwealth. The requirements in this chapter supplement, where not in conflict with and where applicable, existing Board regulations Subpart E (relating to slot machine, table game and associated equipment testing and control; accounting and internal controls) and Subpart L (relating to interactive gaming) applicable to slot machine licensees, interactive gaming certificate holders and interactive gaming operators unless the context clearly indicates otherwise.

§ 1407.2. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Authentication process—A method used by a system to verify the validity of software. The method requires calculation of an output digest, which is compared to a secure embedded value. The minimum output digest shall be of 128-bit complexity. Software shall be deemed to have been authenticated if the calculated digest equals the secure embedded value.

Communication technology—The methods used and the components employed to facilitate the transmission of information including transmission and reception systems based on wire, cable, radio, microwave, light, optics or computer data networks.

Onsite sportsbook—Sports wagering activities conducted by means of self-service kiosks or point of sale system in the sports wagering areas of a sports wagering certificate holder's approved locations.

Point of sale system—All the hardware, software and communications that comprises a stand-alone or integrated system capable of accepting sports wagers by means of terminals attended to by a cashier and is located at sports wagering certificate holder's approved locations.

Self-service kiosks—Unattended self-service booths or self-standing structure with computers, including touch-screen computers, at which a patron can place sports wagers and that dispenses sports wagering tickets/vouchers.

Sports wagering account—Electronic account that may be established by a patron at a casino property for the purpose of sports wagering or by means of a sports wagering certificate holder's or sports wagering operator's interactive sports wagering skin or interactive sports wagering web site for the purpose of wagering under these regulations, including deposits, withdrawals, wagered amounts and payouts on winning wagers.

Sports wagering communication—The transmission of a wager between a point of origin and a point of reception by aid of a communications technology.

Sports wagering device and associated equipment—A self-service kiosk, point of sale system or other device, including associated equipment, used to accept sports wagering as permitted for use in this Commonwealth by the Board.

Sports wagering interactive system—All hardware, software and communications that comprise a type of server-based sports wagering system for the purpose of offering authorized sports wagering, mobile sports wagering or interactive sports wagering in this Commonwealth when authorized by the Board.

Sports wagering operations—The business of accepting wagers on sports events or on the individual performance of athletes in a sporting event or combination of sporting events by any system or method of wagering, including over the internet, mobile applications and onsite sports wagering systems.

Sports wagering platform—The combination of hardware and software or other technology designed and used to manage, conduct and record mobile sports wagering or interactive sports wagering activity, as approved by the Board. The term shall include any emerging or new technology deployed to advance the conduct and operation of sports wagering, mobile sports wagering or interactive sports wagering activity, as approved through regulation by the Board.

Sports wagering system—All sports wagering devices, equipment, communication technology, software and hardware approved by the Board to conduct sports wagering in this Commonwealth.

Ticket/Voucher redemption device—Unattended self-service booths or self-standing structures with computers, including touch-screen computers, at which a patron can redeem sports wagering tickets/vouchers and that dispenses winnings in the form of cash or cash equivalent.

§ 1407.3. Testing and approval generally.

(a) Prior to operating an onsite sportsbook or an online or mobile sportsbook (that is, an interactive sportsbook), all sports wagering devices and software used in conjunction with these operations must be submitted to the Board's Office of Gaming Laboratory Operations for review and testing and approved by the Board.

(b) For purposes of this section, sports wagering devices and software that shall be submitted for testing and approval include:

- (1) Self-service kiosks.
- (2) Point of sale systems.
- (3) Ticket/Voucher redemption devices.
- (4) Sports wagering interactive system components, including all hardware, software and associated equipment that comprise a type of server-based sports wagering system for the purpose of offering authorized sports wagering, mobile sports wagering or interactive sports wagering.
- (5) Other related devices or systems as required by the Board.

(c) The Board shall require the payment of all costs for the testing and approval of sports wagering devices and software used in conjunction with the operation of an onsite sportsbook or an online or mobile sportsbook prior to final approval of the devices and software.

(d) Submissions to the Office of Gaming Laboratory Operations of sports wagering devices and software used in conjunction with the operation of an onsite sportsbook or an online or mobile sportsbook should adhere to the requirements in § 461a.4 (relating to submission for testing and approval) where applicable.

§ 1407.4. Wagering device requirements generally.

(a) Wagering device programs shall contain sufficient information to identify the software and revision level of the information stored on the wagering device.

(b) Wagering devices shall have the ability to authenticate that all critical components being utilized are valid upon installation of the software, each time the software is loaded for use and on demand as required by the Board. Critical components may include wagering information, elements that control the communications with the sports wagering system or other components that are needed to ensure proper operation of the wagering device. In the event of a failed

authentication (that is, program mismatch or authentication failure), the wagering device shall cease all wagering operations and display an appropriate error message. The sports wagering system shall have the ability to disable the wagering device upon any unsuccessful verification.

(c) Wagering devices shall be capable of recording all of the following information for each wager made:

- (1) Description of event.
- (2) Event number.
- (3) Wager selection.
- (4) Type of wager.
- (5) Amount of wager.
- (6) Date and time of wager.
- (7) Unique wager identifier.
- (8) An indication of when the ticket expires.

§ 1407.5. Self-service kiosks and point of sale system requirements.

(a) Self-service kiosks and point sale devices shall have an identification badge affixed to the exterior of the device by the manufacturer. The identification badge shall not be removable without leaving evidence of tampering. This badge shall include all of the following minimum information:

- (1) The complete name of the manufacturer or some appropriate abbreviation for same.
- (2) A unique serial number.
- (3) The self-service kiosk or point of sale device model number.
- (4) The date of manufacture.

(b) Self-service kiosks and point of sale devices shall meet all of the following basic hardware requirements:

- (1) Identification for any printed circuit board (PCB) that impacts the integrity of the self-service kiosk or point of sale device shall include all of the following:
 - (i) Each PCB shall be clearly identifiable by an alphanumeric identification and, when applicable, a revision number.
 - (ii) If track cuts, patch wires, or other circuit alterations are introduced to the PCB, then a new revision number shall be assigned.
- (2) If the self-service kiosk or point of sale device contains switches or jumpers, or both, they shall be fully documented for evaluation by the Board's Office of Gaming Laboratory.
- (3) The self-service kiosk or point of sale device shall be designed so that power and data cables into and out of the self-service kiosk or point of sale device can be routed so that they are not accessible to the general public.
- (4) Wired communication ports shall be clearly labeled and must be securely housed within the self-service kiosk or point of sale device to prevent unauthorized access to the ports or their associated cable connectors.

(b) Self-service kiosks and point of sale devices shall meet all of the following basic power requirements:

(1) The self-service kiosk and point of sale device shall not be adversely affected, other than resets, by surges or dips of $\pm 20\%$ of the supply voltage. It is acceptable for the self-service kiosk or point of sale device to reset provided no damage to the equipment or loss or corruption of data is experienced.

(2) The power supply used in a self-service kiosk or point of sale device must be appropriately fused or protected by circuit breakers. The amperage rating of all fuses and circuit breakers must be clearly stated on or near the fuse or the breaker.

(3) An on/off switch that controls the electrical current supplied to the self-service kiosk or point of sale device shall be located in a place which is readily accessible within the interior of the self-service kiosk or point of sale device. The on/off positions of the switch shall be clearly labeled.

(c) Self-service kiosks and point of sale device shall meet all of the following basic security requirements:

(1) A self-service kiosk or point of sale device shall be robust enough to resist forced entry into any secured doors, areas or compartments. In the event that extreme force is applied to the cabinet materials causing a potential breach in self-service kiosk or point of sale device security, evidence of tampering must be conspicuous. "Secured areas" or "secured compartments" shall include the external doors such as the main door, cash compartment doors such as a drop box door, peripheral device access areas, or other sensitive access areas of the self-service kiosk or point of sale device.

(2) The following requirements apply to the self-service kiosk's or point of sale device's external doors:

(i) External doors shall be manufactured of materials that are suitable for allowing only legitimate access to the inside of the self-service kiosk cabinet or point of sale device. Doors and their associated hinges shall be capable of withstanding determined and unauthorized efforts to gain access to the interior of the self-service kiosk or point of sale device and shall leave conspicuous evidence of tampering if an attempt is made.

(ii) The seal between the self-service kiosk cabinet or point of sale device and the door of a locked area shall be designed to resist the entry of objects. It shall not be possible to insert an object into the self-service kiosk or point of sale device that disables a door open sensor when the self-service kiosk's or point of sale device's door is fully closed, without leaving conspicuous evidence of tampering.

(iii) External doors shall be secure and support the installation of locks.

(iv) Doors that provide access to secure areas of the self-service kiosk or point of sale device shall be monitored by a door access detection system.

(A) The detection system shall register a door as being open when the door is moved from its fully closed and locked position, provided power is supplied to the self-service kiosk or point of sale device.

(B) When any door that provides access to a secured area or secured compartment registers as open, the self-service kiosk or point of sale device shall cease wagering operations, and display an appropriate error message.

(d) Self-service kiosks and point of sale devices shall meet all of the following basic critical nonvolatile memory requirements:

(1) Critical nonvolatile memory shall be used to store all data elements that are considered vital to the continued operation of the self-service kiosk or point of sale device, including self-service kiosk configuration and point of sale device data and state of operations.

(2) Critical nonvolatile memory shall not store sensitive information outside of self-service kiosk and point of sale device operations; however, critical nonvolatile memory may be maintained by any component of the sports wagering system.

(3) The self-service kiosk or point of sale device must have a backup or archive capability, which allows the recovery of critical nonvolatile memory should a failure occur.

(4) Critical nonvolatile memory storage shall be maintained by a methodology that enables errors to be identified. This methodology may involve signatures, check sums, redundant copies, database error checks or other methods approved by the Board.

(5) Comprehensive checks of critical nonvolatile memory data elements shall be made on startup. Nonvolatile memory that is not critical to self-service kiosk or point of sale device integrity is not required to be checked.

(6) An unrecoverable corruption of critical nonvolatile memory shall result in an error. Upon detection, the self-service kiosk and point of sale device software shall cease to function. Additionally, the critical nonvolatile memory error shall cause any communication external to the self-service kiosk to cease.

(e) Self-service kiosk and point of sale device software, after a program interruption, shall recover to the state it was in immediately prior to the interruption occurring. Any communications to an external device shall not begin until the program resumption routine, including any self-test, is completed successfully.

§ 1407.6. Ticket/Voucher requirements.

(a) Tickets/vouchers generated by a self-service kiosk or by a point of sale system shall include all of the following general information:

(1) Name and address of the party issuing the ticket/voucher.

(2) A barcode or similar symbol or marking, as approved by the Board, corresponding to a unique wager identifier.

- (3) Method of redeeming a winning ticket/voucher by means of mail.
- (4) Identification of the self-service kiosk or cashier at the point of sale device that generated the ticket/voucher.
- (b) Tickets/vouchers generated by a self-service kiosk or by a point of sale system shall include all of the following specific information:
 - (1) Amount of ticket/voucher.
 - (2) Date, time and location of issuance.
 - (3) Unique voucher identifier.
 - (4) Expiration date of the ticket/voucher.
 - (5) Date, time and location of redemption, if applicable.
- (c) Tickets/vouchers generated by a self-service kiosk or by a point of sale system shall be capable of processing lost, destroyed or expired wagering tickets/vouchers.
- (d) Tickets/vouchers generated by a self-service kiosk or by a point of sale system shall be capable of clearly indicating that a ticket/voucher is voided or cancelled and rendered nonredeemable.

§ 1407.7. Ticket/Voucher redemption requirements.

- (a) Winning sports wagering tickets/vouchers shall be redeemed by a point of sale cashier or a self-service kiosk after verifying the validity of the wagering ticket through the sports wagering system. The point of sale cashier or a self-service kiosk shall cause the sports wagering system to electronically redeem and cancel the wagering ticket upon redemption.
- (b) A patron may redeem by mail a winning sports wagering ticket/voucher to the address provided thereon in accordance with the sports wagering operator's internal controls.
- (c) Self-service kiosks shall be capable of recognizing payment limitations or payment errors such as bill out jams and insufficient funds. When a payment limitation or error occurs, the self-service kiosk shall be designed to electronically record the payout limitation or error and perform all of the following:
 - (1) Reject the transaction.
 - (2) Issue an error receipt.
 - (3) Issue a replacement sports wagering ticket/voucher.
- (d) When an error receipt is issued from a self-service kiosk, the self-service kiosk or receipt shall advise the patron or employee to see a point of sale cashier for payment. Error receipts shall be designed to include all of the following, at a minimum:
 - (1) The time and date.
 - (2) Identification of the issuing self-service kiosks.
 - (3) Specifies the amount of money that the self-service kiosks failed to dispense.

(e) When used to redeem sports wagering tickets/vouchers, self-service kiosks shall work in conjunction with an approved sports wagering system and shall be designed to:

(1) Accurately obtain the unique identification number of the item presented for redemption and cause the information to be accurately and securely relayed to the sports wagering system for the purpose of redemption.

(2) Issue currency or a sports wagering voucher, or both, in exchange for the item presented only if the sports wagering system has authorized and recorded the transaction.

(3) Return a sports wagering ticket/voucher to the patron when it cannot be validated by the sports wagering system or is otherwise unredeemable.

(f) When used to redeem sports wagering tickets/vouchers, the self-service kiosk or kiosk computer system shall be capable of generating a “Sports Pool Ticket/Voucher Redemption Machine Report” for each gaming day. The report shall include the ticket/voucher’s unique identifier, the date and time of redemption and the value of the ticket/voucher.

§ 1407.8. Sports wagering interactive system requirements.

(a) Sports wagering platforms must adhere to the requirements in Chapter 809 (relating to interactive gaming platform requirements—temporary regulations) of these regulations.

(b) Sports wagering interactive systems must adhere, where applicable, to the requirements in Chapter 810 (relating to interactive gaming testing and controls—temporary regulations) of these regulations.

§ 1407.9. Sports wagering system general requirements.

(a) A sports wagering system shall, at least once every 24 hours, perform a self-authentication process on all software used to offer, record and process wagers to ensure there have been no unauthorized modifications. In the event of an authentication failure, at a minimum, the sports wagering system shall immediately notify the certificate holder’s or operator’s sports wagering manager and the Board within 24 hours. The results of all self-authentication attempts shall be recorded by the system and maintained for a period of not less than 90 days.

(b) The sports wagering operator operating the sports wagering system shall provide access to wagering transaction and related data as deemed necessary by the Board in a manner approved by the Board.

(c) A sports wagering system shall be capable of preventing any sports wager in excess of \$10,000 or making a payout in excess of \$10,000 until authorized by the sports wagering manager.

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