

**CHAPTER 69.5-01-08
PARI-MUTUEL WAGERING SYSTEMS**

DRAFT – to be added into **69.5-01-08-02. Totalizator System.**

69.5-01-08-02. Totalizator System.

1. Each association shall install and operate during its meeting a totalizator system approved by the commission and such system must be tested prior to and during the meeting as required by the commission.
2. A licensee that is hosting pools shall use only a totalizator system approved by the commission.
3. A licensee hosting tournament style pools including the Tournament Wager or 123racing Pick-n Wager may elect to calculate pools using its own software and servers suitable for this purpose rather than a licensed totalizator system only if all of the following conditions are met:
 - a. Wagers made into the tournament pool are not comingled with wagers placed through any other entity or any interstate or international combined wagering pools.
 - b. The licensee shall provide a daily report of all tournament wagering activity including such data as requested by the commission or as necessary to comply with statute or administrative rules. The daily reports shall be delivered to the commission's independent auditor or other designated representative no later than 8:00 am eastern time the day following the generation of the wagers in a manner and format designated by the commission.
 - c. The licensee shall establish a real-time data feed with a totalizator company approved by the commission. The data feed shall include the odds feed, stop betting, scheduled post time, and payoffs for any race comprising part of the tournament wager. The data feed may be provided via inter-tote system protocol, web service application program interface, or other method capable of providing the required data as approved by the commission. The licensee shall utilize a secure network for all data communications.
 - d. The licensee shall utilize the stop betting data from the real-time data feed to automatically close wagering. The licensee's system shall also be capable of automatically closing wagering at post time in the event of an interruption in the real-time data feed.
 - e. After close of wagering for a tournament or any race or races comprising the tournament, the licensee shall make all such picks publicly available by immediately post a listing of all selections by player in the tournament.
 - f. The licensee shall obtain all necessary authorizations to allow the commission, its independent auditor, or other designated representative

to obtain pricing data files directly from the host totalizator at a track holding a race which comprises part of the tournament wager. In the event there is a discrepancy between the pricing data of the track host totalizator and the licensee, the licensee shall work directly with the independent auditor to identify and reconcile the error in accordance with 69.5-01-11-04.1.

- g. The licensee shall provide any track holding a race which comprises part of the tournament wager with authorization to view reports from the commission's independent auditor or other designated representative providing the wagering data required to in order to audit licensee payments to the track.
- h. A totalizator company shall provide access to the commission, its independent auditor, or its designated representative to its facility, records, and any other information as required by the commission.
- i. The licensee shall submit a tournament wagering operations plan to the commission for its review and approval. The operations plan shall provide details on all operations specified in this section as well as any additional information requested by the commission. The plan shall provide the following additional information and specifically address how the licensee's operations insure the same level of integrity in the wagering process as required of licensed totalizators pursuant to 65.5-01-11-13 through 69.5-01-11-15 as applicable:
 - (1) Facility safety and security.
 - (2) Hardware operation and security.
 - (3) Software operation and security.
 - (4) Management procedures.
 - (5) Personnel requirements.
 - (6) Reporting and log requirements.

History: Effective July 1, 1989; April 1, 2016; _____.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11