

Guidance on Past-Posted Markets

The Division has received numerous incident reports regarding operators allowing wagers on events that have already occurred. Pursuant to N.J.A.C. 13:69N-1.9(n), “a sports pool system shall prevent past posting of wagers and the voiding or cancellation of wagers after the outcome of an event is known.” The Division’s current practice is to require operators to submit an incident report, obtain Division approval to suspend payment pending Division investigation, and await a Division decision prior to settling accounts. The Division is sending out this new guidance to streamline this process, clear up ambiguity, and reduce the time that patron accounts are suspended.

General Information:

Past-posted wagers include all wagers where the result is already known at the time the patron bets (i.e. a wager on who will win a game after the game has concluded or a wager on the first player to score a goal after a goal has already been scored). However, sometimes operators have markets that are both pre-match and live (i.e. a wager on who will win the game that is offered both pre-match and throughout the match or a wager on the next touchdown scorer that continues to update throughout the game). These markets often appear identical to a customer who would have no knowledge that the wager was pre-match or live. Therefore:

1. If a wager is clearly marked as “pre-match”, and the event has started, that is considered a past-posted market.
2. If a wager is not clearly marked as pre-match and you also offer the wager for live betting, it will not be considered a past-posted event unless the entire event is over.

Process:

Because past-posting is prohibited by regulation, you are not permitted to accept wagering on these markets and associated bets should be voided consistent with the following procedures and notes:

1. Prior to voiding the bets, you must submit an incident report to the Division detailing the cause of the issue and listing affected wagers. This incident report may be supplemented with more information if the investigation requires a deeper review of an issue.
 - a. You shall retain information on the impacted bets should the Division determine that the market was not a past-posted market or otherwise should be paid out.
2. If you pay out winning wagers on these markets that are considered past-posted, you are not permitted to take a deduction from gross revenue. The payout should be considered a non-deductible cash comp.
3. If the past-posted wager is part of a parlay:
 - a. The wager will stand if it was a losing wager based solely upon the outcome of the permissible wagers, not taking into account the outcome of the past-posted wager.
 - b. The wager will be settled as a winner if the past-posted event is the only event that causes the wager to lose but the past-posted event shall be treated as if that event was never included in the wager. For example, a six event parlay in which one of the events is a past-posted wager shall be treated as a five event parlay.

Sanctions:

The Division expects all sports book operators to have implemented sufficient controls to prevent past posting on events being offered to the public. Both the sports book operators and their casino partners face regulatory sanctions for permitting these events from being offered.

Additional Information:

If you have any questions, contact DAG Michael Golub (michael.golub@njdge.org).