

October 2022



RIGHTLANDER

Quarterly Compliance Report



Coming up...

2

What's Happening at Rightlander?

Find out how our latest technology update can help you stay compliant amidst regulatory change.

3

Twitch moves to ban unlicensed gambling content

Streamers threaten to boycott the platform ahead of the announcement

4

USA - State-by-state review

More than half the country has begun the process of legalising sports betting.

9

CAP - New 'strong' appeal rules introduced

New rules to curb the broad appeal of gambling ads and better protect under-18s

10

Philippines - Where do we stand?

Senator Joel Villanueva has filed a bill in the Philippine senate that would ban all forms of online gambling in the country.

2

5

What's happening at Rightlander?

Rightlander has recently launched its innovative 'Smart Workbench' in our compliance software. This AI-led product is designed to significantly reduce the marketing compliance workload of our clients. The new technology increases contextual relevance and reduces the need for manual analysis. The combined effect makes the task of affiliate compliance up to 90% less time intensive than any other comparable tool on the market.

The introduction of the Smart Workbench allows our software to learn from every action taken by the user, which in turn decreases the time taken to solve compliance issues.

The software can detect logos, links, brand references, bonuses and inducements, and misleading or deceptive marketing messages. It then concludes if something is relevant to a client's brand, filtering out unnecessary data. Furthermore, the Smart Workbench can prioritise compliance issues based on the importance of an item, where it occurs on an affiliate site, and how it is presented contextually.

Our beta test results have reduced false positives by around 85% on bonus, phrase, and T&C accuracy-based reports! Not only that but many of the items that end up in the Workbench can be resolved in a fraction of the time it took. The smart workbench will work on the following content sources: websites, social media, email newsletters, and Telegram.

The existing Rightlander workbench and XLS reports will remain 'as-is', therefore if any clients wish to continue to review and receive data this way they can do so.

Contact your Rightlander account manager (laila.walker@rightlander.com or andy.parsons@rightlander.com) if you have any questions about the new smart workbench.

Twitch Moves To Ban Unlicensed Gambling Content

Streamers threaten to boycott the platform ahead of the announcement

The Amazon-owned streaming platform Twitch has announced that it will ban users from posting videos of themselves playing slots, roulette, or dice games on unlicensed gambling sites. Operators that will be prohibited include Stake.com, Rollbit.com, Duelbits.com, and Roobet.com. The company has said it will continue to allow websites focusing on fantasy sports, poker, and sports betting.

The ban, which will be effective as of 18th October, comes in the wake of a wide-ranging scandal among top-tier streamers. A British streamer called Sliker admitted to scamming other hosts out of thousands of dollars to fuel what he described as a 'gambling addiction'.

The ban will act to limit the spread of gambling content on the streaming site, where users have long questioned the links between streamers and the gambling sites they promote.

Several creators have been pushing Twitch to do something about online



gambling streams, citing potential dangers to younger users.

Some have used the hashtag #twitchstopgambling on Twitter to raise awareness about gambling streams.

USA - State By State Review

More than half the country has begun the process of legalising sports betting.

As of September 2022, over 30 states have legal online sports betting, with even more in the process of trying to get it legalised.

Alabama: Not legal.

The state has proposed multiple bills, including one in 2021, but all have been shot down.

Alaska: Not legal.

In 2020, the state put legalising sports betting under consideration. However, the COVID-19 pandemic put an end to its consideration and the bill ended up expiring in May 2020.

Arizona: Legal.

Sports betting became legal on April 15, 2021. The legislation in place permits 20 operators in Arizona.

Arkansas: Legal.

The state's first official sportsbook (Oaklawn Racing Casino Resort) began operating in July of 2021, and there will be multiple others on the way, though the state is still prohibiting mobile online wagering.

California: Not legal.

Proposals put forward for November 2022 ballot.

Colorado: Legal.

Colorado became the 19th state to legalise betting as of May 1, 2020.

Connecticut: Legal.

Sports betting is officially allowed in Connecticut as of September 30, 2021.

Delaware: Legal.

Delaware moved to fully legalise sports betting in June 2018.

Florida: Legal, but in dispute

Lawmakers in Florida approved sports betting in 2021. However, lawsuits in court have delayed the official beginning of betting in the state. ongoing legal battle.

Georgia: Not legal.

Efforts to get a motion passed in 2022 failed. There is optimism a new motion will be brought up in 2023 that will legalise Georgia sports betting.

USA - State By State Review

Continued.....

More than half the country has begun the process of legalising sports betting...

Hawaii: Not legal.

A bill was proposed in January of 2019 that would've allowed for the regulation of sports gambling through a newly-established corporation, but the bill was denied.

Idaho: Not legal.

No legislation was proposed.

Illinois: Legal.

The legislation was passed in June to allow sports gambling. Bets were allowed in the state as of March 9, 2020.

Indiana: Legal.

Wagering on pro and college sports became legal in September of 2019 with both mobile and in-person betting permitted at multiple locations.

Iowa: Legal.

Iowa legalized sports gambling in 2019, with multiple sites beginning to take bets at the end of that summer. State law allows for betting on both pro and college sports.

Kansas: Legal.

Legal online sports betting launched in Kansas on July 1, 2022.

Kentucky: Not legal, but legislation proposed. Efforts to get the motion passed in 2022 failed.

Louisiana: Legal.

Retail sports betting launched in October 2021. Mobile sports betting launched in January 2022.

Maine: Not legal.

Legislation to legalize online sports betting passed in May 2022, but a launch date has not been set yet.

Maryland: Legal

Following the results of the 2020 election, Maryland approved sports betting.

Massachusetts: Not legal.

A number of sports betting legalisation bills were introduced in 2019, however, none have ever been approved.

USA - State By State Review

Continued...

More than half the country has begun the process of legalising sports betting...

Michigan: Legal.

In late 2019 bills passed to allow for both sports betting and online gaming in the state. Casinos in the state started taking wagers in March of 2020.

Minnesota: Not legal.

Legislation to legalise Minnesota sports betting passed in August 2022, but a launch date has not been set yet.

Mississippi: Legal.

The first sports bets in Mississippi were placed on August 1, 2018. The state enacted a law in 2017 that allowed for sports betting.

Missouri: Not legal, but in process.

Missouri had several sports betting bills introduced in recent years but the state is yet to approve one.

Montana: Legal.

Legal sports betting in the state as of March 2020. Sportsbooks are regulated through the state lottery.

Nebraska: Legal.

In early 2020, a state senator introduced a bill classifying sports betting as "authorised games of skill" that would allow sports wagering, fantasy sports and poker in Nebraska.

Governor Pete Ricketts legalized sports betting and put it into law on May 25, 2021, though it will only be in-person.

Nevada: Legal.

First to legalise

New Hampshire: Legal.

The state legalised sports betting on the second day of 2020.

New Jersey: Legal.

Legalised sports gambling in June 2018.

New Mexico: Legal... kind of.

Under the current state laws, sports betting isn't explicitly prohibited, nor is it a prohibited Class III game in the gaming compacts shared between tribes and the state.

USA - State By State Review Continued....

More than half the country has begun the process of legalising sports betting...

New York: Legal.

New York actually passed a bill all the way back in 2013 that made sports gambling legal at the state level, but the state didn't open its first official sportsbook until July of 2019. In January 2022, mobile sports betting was also made legal.

North Carolina: Legal.

The state passed a bill in July of 2019 that will permit sports gambling (including horse racing). Sports betting launched on March 18, 2021.

North Dakota: Not legal, but legislation proposed.

Ohio: Legal.

In December 2021, sports betting became legal in Ohio after Gov. Mike DeWine signed it into law. However, it's expected that Ohio residents won't be able to place any wagers until Jan. 1, 2023, at the earliest.

Oklahoma: Legal, not yet launched. Effort to get sports betting in Oklahoma legalised in 2022 failed.

Oregon: Legal.

Oregon didn't need to pass new

legislation because they already had limited sports betting legality established at the state level, but they didn't officially start taking bets until August 2019.

Pennsylvania: Legal.

Pennsylvania took its first legal sports bet at a casino sportsbook in 2018. Additional licenses have since been granted and mobile/online wagering is also accepted in-state.

Rhode Island: Legal.

Rhode Island also opened its first sportsbook six months after the U.S Supreme Court's decision and currently offers sports gambling exclusively at two in-state casinos, but online/mobile betting is still on its way.

South Carolina: Not legal, but legislation proposed.

Gambling in South Carolina is restricted solely to casino riverboats but the state legislature has proposed bills that would open the door to sports gambling. No action has been taken yet.

USA - State By State Review Continued....

More than half the country has begun the process of legalising sports betting...

South Dakota: In the 2020 election, South Dakota approved sports betting. Accepting sports bets on Sept. 9, 2021. In 2021, legislators passed legislation that legalised sports betting in Deadwood. However, bettors must bet on the property of those four casinos.

Tennessee: Legal.. The state began allowing mobile sports betting on Nov. 1, 2021.

Texas: Not legal, but legislation proposed. In 2021, a sports betting bill was proposed but not legalised.

Utah: Not legal. Unlikely to happen.

Vermont: Not legal, but legislation proposed to legalize mobile sports wagering in-state. A bill was considered in 2021 but didn't get legalized.

Virginia: Legal. In April of 2020 sports betting was legalised in Virginia and the bill was passed by the state legislatures later that year.

Washington: Legal. The state passed legislation in early 2020 to permit sports gambling at tribal casinos in-state. The state does not allow for mobile/online wagering.

Washington D.C.: Legal. The Sports Wagering Lottery Amendment Act of 2018 became effective as of May 2019, and the city has launched its sports wagering app and website which is run by the DC Lottery.

West Virginia: Legal. In August of 2018, West Virginia became the fifth state to legalize sports gambling. The state offers both in-person and online sports wagering.

Wisconsin: Retail authorised. Allowing for in-person and mobile app betting while at Oneida Nation's gaming locations.

Wyoming: Legal. On September 1, 2021, legal sports betting went live in the state.

CAP - New 'Strong' Appeal Rules Introduced

New rules to curb broad appeal of gambling ads and better protect under-18s

Earlier this year, Committee for Advertising Practice (CAP) announced the introduction of tough new rules for gambling ads. The premise for these is to safeguard under-18s and other vulnerable audiences from the addiction-related harms that gambling advertisements may promote.

These rules will significantly impact gambling advertisers looking to promote their brands using prominent sports people and celebrities as well as individuals like social media influencers, who are of strong appeal to those under-18.

The new rules state that gambling and lottery ads must not: "be likely to be of strong appeal to children or young persons, especially by reflecting or being associated with youth culture."

A 'strong' appeal test prohibits content (imagery, themes, and characters) that has a strong level of appeal to under-18s regardless of how it is viewed by adults.

In practice, this means that ads will

not be able to use:

- Topflight footballers and footballers with a considerable following among under-18 on social media.
- All sportspeople well-known to under-18s, including sportspeople with a considerable volume of under-18 followers on social media.
- References to video game content and gameplay popular with under-18s.
- Stars from reality shows popular with under-18s, such as Love Island.

The new rules have come into effect from the 1st October 2022.

In line with these changes, the Advertising Standards Authority (ASA) has launched a new and updated eLearning module on the rules and regulations surrounding gambling advertising.

In line with the latest regulatory updates, the new module will include case studies and guidance from experts on the new 'strong' appeal rules.

Philippines - Where do we stand?

Senator Joel Villanueva has filed a bill in the Philippine senate that would ban all forms of online gambling in the country.

The current market

Unlike many other jurisdictions in the continent, gambling is perfectly legal in the Philippines. Unfortunately though, although there are several licensed real money online gambling sites based in the Philippines, people in the country are not permitted to use them.

The Philippines launched its Philippine Offshore Gaming Operator (POGO) licensing regime in 2016 and went on to certify over 60 operators for the provision of iGaming entertainment to overseas gamblers. This number fell drastically after the economic slump felt as an effect of the coronavirus pandemic.

Recent investigations have however revealed that these firms have become increasingly associated with the practice of obtaining a low-cost workforce through the kidnapping of foreign nationals.

The country has also seen a spike in underage gambling, causing bankruptcy, broken families, and increased criminal activity.

The proposed bill

The bill, titled the Anti-Online Gambling Act, is currently awaiting consideration by a legislative committee.

If passed, the bill would introduce punishments for those that bet or knowingly receive wagers online, of up to six months in prison or a fine between ₱100,000 (\$1,737) and ₱500,000 (\$8,685).

If a corporation commits an offense against the Act, a maximum penalty of up to five years in prison and a fine of ₱500,000 (\$8,685) will be handed to those responsible.

If passed, the Act will take effect within 15 days after its publication in the Philippines' Official Gazette, or 15 days after it is published in at least two newspapers.

The Department of the Interior and Local Government, along with the Department of Justice, will be in charge of enforcing the contents of the act within 30 days of its enactment.

Email us for more info!

Sales

Jonathan Elkin

jonathan.elkin@rightlander.com

Sunny Yadu

sunny.yadu@rightlander.com

Freddie Francis

freddie.francis@rightlander.com

Account Management

Laila Walker

laila.walker@rightlander.com

Andy Parsons

andy.parsons@rightlander.com

2

2

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