

Gaming Commission Regulations

Regulation # R400-04:GC-13

Chapter 13 – Retail Sports Betting

Section 1. Purpose; Authority

- 1-1. *Purpose.* The purpose of this Chapter is to ensure delivery of incident and statistical reports by each gaming operation to the Gaming Commission which are required by applicable internal control standards or regulations, or which will otherwise assist the Gaming Commission in performing its regulatory responsibilities. To ensure the integrity and security of retail sports wagering operations within the gaming operation, the requirements of this section apply to all retail sports betting operators and retail sports betting supplier licensees seeking to offer retail sports wagering to patrons. The requirements in this regulation supplement, where not in conflict with and where applicable, existing Gaming Ordinance #10-400-01, Gaming Commission Regulation – Chapter 2 (Gaming Device, Equipment, and Supplies), Gaming Commission Regulation – Chapter 4 (Notifications and Reports), Gaming Commission Regulation – Chapter 6 (Gaming Vendor Licensing), and Gaming Commission Regulation – Chapter 11 (Class III Tribal Minimum Internal Controls).
- 1-2. *Authority.* These rules and regulations are issued under and pursuant to the authority of the Tribal-State Compact, Gaming Ordinance #10-400-01, Gaming Commission Ordinance #04-400-04, and Commission's Ordinance #04-150-01.
- 1-3. *Scope.* This regulation does not apply to internet sports betting.

Section 2. Definitions

- 2-1. *Athletic Event* means a sports activity that involves the athletic skill of one (1) or more patrons or participants. Athletic event does not include:
 - a. Horse racing if the sports betting on that race is pari-mutuel
 - b. Any sport or athletic event played by individuals that are at the high school level or below unless the majority of participants in the sport or athletic event are eighteen (18) years of age or older
 - c. Roulette, poker, blackjack, a card game, a dice game, or any other game or contest typically offered in a casino other than retail sports betting
 - d. A fantasy contest
- 2-2. *Chairman* means the Chairman of the Gaming Commission.

- 2-3. *Executive Director* means the Executive Director of the Gaming Commission.
- 2-4. *Gaming Commission* means the Little River Band of Ottawa Indians Gaming Commission created by the Gaming Commission Ordinance #04-400-04, with the powers and authority vested therein pursuant to the Article IV – Section 4.01 and Section 6.01.
- 2-5. *Gross retail sports betting receipts* means the total of all sums, including, but not limited to, valid or invalid checks, valid or invalid credit or debit card deposits, valid or invalid ACH deposits, currency, coupons, vouchers, entry fees assessed for tournaments, or instruments of monetary value whether collected or uncollected, in each case actually wagered by patron at or with the retail sports betting operator on retail sports betting, less the following:
- a. Winnings
 - b. Amounts returned to an authorized patron because of a game, platform, or system malfunction or because the retail sports bet must be voided because of concerns regarding integrity of the wager or game
 - c. Uncollected markers or successfully disputed credit or debit card charges that were previously included in the computation of gross retail sports betting receipts
- 2-6. *Integrity monitoring* means monitoring of retail sports bets/wagers to identify unusual betting or suspicious retail sports wagering activities from a match-fixing and sporting corruption standpoint to then report such activities to required parties.
- 2-7. *Mobile gaming system (application)* means a system or an application that allows for the conduct of games through mobile communications devices operated solely within a public area of the licensed gaming operation using communications technology that allows a patron to bet or wager, and corresponding information related to the display of the game, gaming outcomes, or other similar information.
- 2-8. *Onsite or retail sports book* means retail sports betting activities conducted via self-service kiosks or point of sale system in the retail sports betting area of a sport-wagering operators approved location.
- 2-9. *Patron deposit account* means an account maintained on behalf of a patron, for the deposit and withdrawal of funds for the primary purpose of interacting with a gaming activity.
- 2-10. *Personal identifiable information* means any data or information that can be used, on its owner with other data or information, to identify, contact or otherwise locate a registered patron, including a registered patron's name, address, date of birth, and Social Security Number.
- 2-11. *Retail sports betting* means to operate, conduct, or offer for play wagering conducted under this regulation on athletic events and other events approved by the Gaming Commission.

Retail sports betting includes, but is not limited to, single-game bets, teaser bets, parlays, over-under, money line, pools, exchange betting, in-game betting, proposition bets, and straight bets. Retail sports betting does not include a fantasy contest.

- 2-12. *Retail sports betting equipment* means any mechanical, electronic, or other device, mechanism, or equipment used in the operation of retail sports betting that directly affects the wagering and results of retail sports betting offered under this regulation. Retail sports betting equipment does not include a personal computer, mobile phone, or other device that is owned and used by an individual to place a retail sports betting wager.
- 2-13. *Retail sports betting operator or retail sports book* means a person or entity that is issued a retail sports betting operator license through the facility licensing process.
- 2-14. *Retail sports betting supplier* means a person that the Gaming Commission has identified under rules as requiring a Gaming Vendor License to provide the gaming operation any gaming services or concessions, gaming equipment, gaming devices, or supplies regarding the operation of retail sports betting. Retail sports betting supplier includes, but is not limited to, retail sports betting platform providers.
- 2-15. *Retail sports betting system* means the methodology and equipment approved by the Gaming Commission for accepting and recording wagers authorized by these regulations.
- 2-16. *Retail sports betting communications technology* means the methods used and the components employed to facilitate the transmission of information including, but not limited to, transmission and reception systems based on wire, cable, radio, microwave, light, optics, or computer data networks.
- 2-17. *Retail sports betting wager or bet* means the cash, or cash equivalent, including free play, loyalty points, and other redeemable retail sports betting credits, risked by an authorized participant on retail sports betting.
- 2-18. *Risk management* means processes and tools that retail sports betting operators or retail sports betting suppliers use to manage the risk and liabilities associated with retail sports wagering.
- 2-19. *Wagering communication* means the transmission of a wager between a point of origin and a point of reception by aid of communications technology.

Section 3. Licensing

- 3-1. No person or entity may operate a retail sports book unless that person or entity holds a Facility License and has received approval from the Gaming Commission specifically permitting the person or entity to do so.

- 3-2. A person or entity that a casino operator contracts with to assist in the offering of a retail sports book by providing operational, technical or other associated support shall obtain a Gaming Vendor License from the Gaming Commission.
- 3-3. Each licensed operator of a retail sports book shall submit internal controls, proposed procedures, and house rules to the Gaming Commission sixty (60) calendar days prior to commencing operations.
- 3-4. Each licensed operator of a retail sports book shall not install, use or offer for play any new technology or new gaming platform without Gaming Commission approval a minimum of ninety (90) calendar days prior to commencing operations.

Section 4. Operations

- 4-1. Notwithstanding the minimum bankroll required for licensed gaming operation, each retail sports book shall comply with the following to calculate additional minimum reserve requirements specifically for the retail sports book:
 - a. Each retail sports book shall always maintain access to a cash reserve of not less than the greater of \$50,000.00 or the sum of the following amounts:
 1. Amounts held by the book for the account of patrons
 2. Aggregate amounts accepted by the retail sports book as wagers on contingencies whose outcomes have not been determined
 3. Amounts owed but unpaid by the retail sports book on winning wagers through the period established by the book for honoring winning wagers
 - b. Each retail sports book operator shall, prior to commencing operations, and annually thereafter, perform a system integrity and security assessment conducted by an independent professional selected by the gaming operation and approved by the Gaming Commission.
 - c. Each independent professional report on the assessment of the system's integrity and security shall be submitted to the Gaming Commission and shall include the following:
 1. Scope of the review
 2. Name and company affiliation of the individual(s) who conducted the assessment
 3. Date of the assessment
 4. Findings (if applicable)
 5. Recommended corrective action of any findings (if applicable)

6. The gaming operation's response to any findings and recommended corrective action (if applicable)

Section 5. House Rule – Terms and Conditions

- 5-1. Each retail sports book shall adopt and adhere to written, comprehensive house rules governing wagering transactions with patrons. Such house rules must be immediately available to patrons at a retail sports book's licensed premises. Without limiting the generality of the foregoing, the rules must specify the types of wagers accepted, how winning wagers will be paid, the effect of schedule changes, the redemption period for winning tickets, and the method of noticing odds or line changes to patrons. House rules must state that wagers may be accepted at other than the currently posted terms, if applicable.
- 5-2. A licensed gaming operation where a retail sports book is located may award patron loyalty program points based on wagers placed by a patron, however, such points may only be redeemed in accordance with the rules of the program.
- 5-3. A retail sports book shall not offer a specialized wagering proposition, or set or move its wagering odds, lines or limits, to provide a benefit to a patron.
- 5-4. A retail sports book shall not set lines or odds, or offer wagering propositions, designed for the purpose of ensuring that a patron will win a wager or series of wagers.
- 5-5. Nothing in this section shall be interpreted to prohibit retail sports books from accepting anonymous retail sports wagers at self-service kiosks or point of sale terminals.
- 5-6. Readily available information at the retail sports betting operator's onsite retail sportsbook that contains the following:
 - a. Information explaining how disputes are resolved
 - b. Problem gaming information that is designed to offer information pertaining to responsible gaming
 - c. Gaming Commission contact information
 - d. Information that allows a patron to choose to be excluded from engaging in retail sports wagering
 - e. Comprehensive house rules governing wagering transactions with patrons. Such house rules must be immediately available to patrons at a licensed facility's retail sports book. The rules must include, but not be limited to:
 1. The types of wagers accepted

2. How winning wagers will be paid
3. The effect of schedule changes
4. The redemption period for winning tickets
5. The method of noticing odds or line changes to patrons

Section 6. Issuance and Control of Betting Tickets

- 6-1. Immediately upon accepting a wager, other than a wager made through an electronic wagering account, the book shall create a betting ticket on which the terms of the wager are written. For all wagers, the retail sports book must have the capability to make a print, electronic or other approved record of the entire transaction. The retail sports book's record of a patron's confirmation of all wagers shall be deemed to be the transaction of record, and such records shall be made available upon request.
- 6-2. Betting tickets must bear the name and address of the retail sports book and instructions on ticket redemption in person or by mail or other approved method.

Section 7. Acceptance of Wagers

- 7-1. Retail sports books may not accept wagers unless made with cash or other representatives of value approved by the Gaming Commission, or against credits made to a wagering account as approved by the Gaming Commission or on credit extended in accordance with the internal controls and the regulations of the Gaming Commission. A wagering account must be established by a patron with the licensee, and an initial verification of the account must be done in-person by a patron at the licensee's premises before the acceptance of any wager that will utilize a wagering account.
- 7-2. A retail sports book operating in accordance with this regulation shall accept wagers only on its licensed premises, and only at betting stations or kiosks/terminals approved by the Gaming Commission or through an on-site computerized wagering system that has been approved by the Gaming Commission.
 - a. The surveillance system shall monitor and record a general overview of activities occurring at each betting station or kiosk/terminal with sufficient clarity to identify the activity and individual(s) performing it, including maintenance, drops, fills, and wagering activity.
- 7-3. A retail sports book kiosk used in accordance with this section shall not:
 - a. Issue or redeem a retail sports book ticket with a value of more than \$3,000.00
 - b. Issue a retail sports book ticket with a potential payout of more than \$10,000.00
 - c. Redeem a retail sports book ticket with a value of more than \$3,000.00

- d. Redeem a retail sports book ticket with a value, less the wager of \$600.00 or more that is equal to, or greater than three hundred (300) times the wager
- 7-4. A retail sports book shall not knowingly accept money or its equivalent ostensibly as a wager upon an event whose outcome has already been determined. A licensed retail sports book shall not accept a wager on an event unless the date and time at which the outcome of the event is determined can be confirmed from reliable sources satisfactory to the Gaming Commission or from records created and maintained by the retail sports book in such manner as the Gaming Commission may approve.
- 7-5. As part of its internal controls' submission, a retail sports book shall provide the Gaming Commission with a catalog of the type of events that it intends to accept wagers on. The Gaming Commission reserves the right to prohibit the acceptance of wagers and may order the cancellation of wagers and require refunds on any event for which wagering would be contrary to the policies of the tribe.
- 7-6. No retail sports book, agent, or employee of a book may accept a wager from a person who the book, agent, or employee knows or reasonably should know is placing the wager for the benefit of another for compensation or is placing the wager in violation of the Tribal-State Compact or federal law.
- 7-7. No retail sports book may hold a patron's money or its equivalent on the understanding that the book will accept the money as a wager only upon the occurrence of a specified, future contingency, unless a betting ticket documenting the wager and contingency is issued immediately when the retail sports book receives the money or its equivalent.
- 7-8. A retail sports book may not accept wagers on athletic events unless the wagering proposition is posted. Propositions may be posted by electronic or manual means, including printed media.
- 7-9. A retail sports book may not unilaterally rescind any wager without the prior written approval of the Gaming Commission.

Section 8. Wagers and Payouts Exceeding \$10,000.00

- 8-1. Prior to accepting any wager more than \$10,000.00 or making a payout more than \$10,000.00 on a winning wager the retail sports book shall:
 - a. Obtain the patron's name
 - b. Obtain or reasonably attempt to obtain the patron's permanent address and Social Security Number
 - c. Obtain one (1) of the following identification credentials from the patron
 - 1. Driver's License

2. Passport
 3. Non-resident alien identification card
 4. Other reliable government issued identification credentials
 - d. Other picture identification credential normally accepted as a means of identification when cashing checks
 - e. Examine the identification credential obtained to verify the patron's name, and to the extent possible, to verify the accuracy of the information obtained pursuant to Section 8-1 (b)
- 8-2. After accepting a wager of more than \$10,000.00 or making a payout of more than \$10,000.00 on a winning wager the retail sports book shall record or maintain records that include:
- a. The patron's name
 - b. The patron's address
 - c. The patron's Social Security Number
 - d. A description including any document number of the identification credential examined (or credential information on file for known patrons)
 - e. The amounts of the wager and payout on the wager
 - f. Window numbers or other identification of the locations where the wager and payout on the wager occurred
 - g. The times and dates of the wager and payout on the wager
 - h. The names and signatures of the retail sports book employees accepting or approving the wager and payout on the wager
 - i. Any other information as required by the Gaming Commission
- 8-3. A retail sports book shall not implement alternative procedures to comply with this subsection without the written approval of the Gaming Commission.
- 8-4. Each retail sports book shall report the wagers and payments on winning wagers required to be recorded pursuant to this section, excluding any wagers and payments on winning wagers accepted from listed patrons, on a "Book Wagering Report," a form published or approved by the Gaming Commission that includes, but is not limited to:

- a. The patron's name
 - b. The patron's identity credential information
 - c. The patron's Social Security Number
 - d. Wager and payout amounts
 - e. Date of transactions
- 8-5. Reports shall be submitted to the Gaming Commission no later than fifteen (15) calendar days after the end of the month of the occurrence of the transaction and in such manner as the Gaming Commission may approve or require. Each retail sports book shall file an amended report if it obtains information to correct or complete a previously submitted report, and the amended report shall reference the previously submitted report. Each retail sports book shall retain a copy of each report filed for at least three (3) years.

Section 9. Multiple Wagers

- 9-1. A retail sports book and its employees and agents shall not knowingly allow, and each retail sports book shall take reasonable steps to prevent the circumvention of Section 8 by multiple wagers within its designated twenty-four (24) hour period with a patron or using a series of wagers that are designed to accomplish indirectly, that which could not be accomplished directly. As part of a retail sports book's efforts to prevent such circumventions relative to Section 8, a retail sports book shall establish and implement wagering multiple transaction logs.
- 9-2. Each retail sports book shall record in a wagering multiple transaction log all wagers in excess of \$5,000.00, or in smaller amounts that aggregate in excess of \$5,000.00 when any single officer, employee, or agent of the retail sports book has actual knowledge of the wagers or would in the ordinary course of business have reason to know of the wagers between the retail sports book and a patron or a person who the retail sports book knows or has reason to know is the patron's confederate or agent. This record shall be made for wagers occurring during a designated twenty-four (24) hour period, within a monitoring area.
- 9-3. Each log entry in a wagering multiple transaction log shall be made by the employee accepting or approving the wager, immediately after accepting the wager, and shall include at a minimum:
- a. Description of the patron (or suspected agent), which may include such identifiers as age, sex, race, eye color, hair, weight, height and attire, if the person is present when the wager is accepted
 - b. Patron's name (or suspected agent's name), if known

- c. Window number or other identification of the location where the wager occurred
 - d. Time and date of the wager
 - e. Dollar amount of the wager
 - f. Signature or electronic signature of person accepting or approving the wager
- 9-4. One (1) log shall be maintained for each monitoring area, for each designated twenty-four (24) hour period. A log is completed for each twenty-four (24) hour period regardless of whether any wagers occurred. At the conclusion of each designated twenty-four (24) hour period, the last entry on the log shall be an indication that the end of the designated twenty-four (24) hour period has occurred. A retail sports book shall not implement alternative procedures or records to comply with this subsection without the written approval of the Gaming Commission.
- 9-5. Each retail sports book shall aggregate all wagers in excess of \$5,000.00 or smaller amounts when any single officer, employee, or agent of the retail sports book has actual knowledge of the wagers or would in the ordinary course of business have reason to know of the wagers between the retail sports book and a patron or a person who the retail sports book knows or has reason to know is the patron's confederate or agent during a designated twenty-four (24) hour period within a monitoring area.
- 9-6. Before completing a wager that, when aggregated with other wagers pursuant to Section 9-5, will aggregate to an amount that will exceed \$10,000.00, the retail sports book shall complete the identification and recordkeeping requirements described in Section 8-1. When aggregated wagers exceed \$10,000.00, the retail sports book shall complete the recording and reporting requirements of Section 8.
- 9-7. If a patron places a wager that pursuant to Section 9-5 is to be aggregated with previous wagers for which a record has been completed pursuant to this section or Section 8, the retail sports book shall complete the identification, recordation, and reporting procedures described in Section 8 for any additional wager regardless of amount occurring during a designated twenty-four (24) hour period.
- 9-8. As used in this section:
- a. "Designated twenty-four (24) hour period" means the twenty-four (24) hour period ending at midnight each day unless otherwise approved by the Gaming Commission.
 - b. "Monitoring area" means all retail sports book writing locations unless otherwise approved by the Gaming Commission.

Section 10. Structured Wagers

- 10-1. As used in this section, “structure wagers” or “structuring wagers” means to willfully conduct or attempt to conduct a series of wagers in any amount, at one or more retail sports books, on one (1) or more days in any manner as to willfully evade or circumvent the recording and reporting requirements of Section 8. The wager or wagers need not exceed the dollar thresholds in Section 8 at any single book in any single day to constitute structuring within the meaning of this definition.
- 10-2. A retail sports book, its officers, employees or agents shall not encourage or instruct the patron to structure or attempt to structure wagers. This subsection does not prohibit a retail sports book from informing a patron of the regulatory requirements imposed upon the book, including the definition of structured wagers.
- 10-3. A retail sports book, its officers, employees, or agents shall not knowingly assist a patron in structuring or attempting to structure wagers.

Section 11. Payment of Winning Wagers

- 11-1. Except as otherwise provided in this subsection, retail sports books shall make payment on a winning wager to the person who presents the patron’s copy of the betting ticket representing the wager. A retail sports book need not make payment to a person who the retail sports book, agent, or employee of the retail sports book knows is not the person to whom the patron’s copy was issued. A retail sports book shall not make payment on a winning wager to a person who the retail sports book or its agent or employee knows or reasonably should know is collecting the payment on behalf of another for monetary consideration or in violation of tribal, state, or federal law. A retail sports book may withhold payment of a winning wager if the patron refuses to supply identification or any other documentation required by state or federal law.
- 11-2. Retail sports books shall honor winning betting tickets for thirty (30) calendar days after the conclusion of the event wagered upon unless a longer period is established by the retail sports book. The retail sports book shall state the redemption period on each betting ticket, in-house rules, and on notices conspicuously placed about the licensed premises. Payment by mail shall be made only after presentment of the betting ticket and all identification information and documentation required in accordance with this regulation and must be made not later than ten (10) calendar days after presentment.

Section 12. Computerized Retail Sports Betting Equipment and Systems Requirements

- 12-1. Prior to operating onsite retail sports book, all retail sports betting equipment and systems used in conjunction with such operations must be tested, approved, and certified by an approved recognized testing laboratory in accordance with Gaming Commission Regulation – Chapter 2. Retail sports betting equipment and systems must meet or exceed the technical standard of the state of Nevada or New Jersey. All certification or approval letters must identify that the testing standards meet or exceed the state of Nevada or New Jersey.

- 12-2. The Gaming Commission shall give final approval to any retail sports betting equipment and system, prior to utilization.
- 12-3. The accounting server(s) and data server(s) may be located at an off-site facility in the state of Michigan if the offsite location meets the physical security requirements outlined in the internal controls and with the following stipulations:
- a. A regulator portal is available that allows the Gaming Commission to verify the software installed on the server; and
 - b. A monitoring portal is available that allows designated Gaming Commission staff or observers to view all betting activity
- 12-4. The Gaming Commission reserves the right to audit, inspect, access or confiscate any retail sports betting equipment (including servers housed off-site) and component of the retail sports betting system. Audits, inspections or access may be unannounced at the Gaming Commission discretion.

Section 13. Prohibited Wagers

- 13-1. No wagers may be accepted or paid by any retail sports book on:
- a. Any amateur sport or athletic event other than:
 - 1. Olympic sporting or athletic events sanctioned by the International Olympic Committee, subject to limitations by the Gaming Commission
 - 2. Collegiate sporting or athletic events
 - b. Any sport or athletic event which the licensee knows or reasonably should know, is being placed by, or on behalf of a coach or participant in that event. Each licensee shall take reasonable steps to prevent the circumvention of this regulation
 - c. The outcome of any election for any public office
 - d. Any event that the Gaming Commission deems to be contrary to the policies of the tribe, a request for approval to accept wagers on such an event other than a horse race, greyhound race, or an athletic sports event shall be made by a book on such forms approved by the Gaming Commission, and shall include:
 - 1. A full description of the event and the manner in which wagers would be placed, and winning wagers would be determined
 - 2. A full description of any technology which would be utilized to offer the event
 - e. Such other information or documentation which demonstrates that:

1. The event could be effectively supervised
 2. The outcome of the event would be verifiable
 3. The outcome of the event would be generated by a reliable and independent process
 4. The outcome of the event is unlikely to be affected by any wager placed
 5. The event could be conducted in compliance with any applicable laws
 6. The granting of the request for approval would be consistent with the policy of the tribe
- f. Such additional or supplemental information as the Gaming Commission may require. The decision whether to grant approval to accept wagers on an event other than a horse race, greyhound race, or an athletic retail sports event shall be based on all relevant information including, but not limited to, the factors in Section 13-1 (e). The Gaming Commission may subject any technology that would be utilized to offer the event to such testing, investigation, and approval process as he/she deems appropriate.
- g. Decisions on requests for additional wagering events are reviewable by the Gaming Commission through the following process:
1. Upon the request of the licensee, the Executive Director will refer the pending wagering event to the Gaming Commission for consideration at their regularly scheduled meeting provided there shall be at least ten (10) calendar days before the issue is presented in order to provide ample time to gather requested documents.
 2. The licensee shall have the opportunity to present the wagering event and any additional information requested by the Gaming Commission to make the determination.
 3. The Gaming Commission, after considering the recommendation and information presented, may grant, deny, limit, restrict or condition the application for any cause it deems reasonable, and the decision of the Gaming Commission shall be in the form of an Order. The Gaming Commission's decision shall be final and shall not be subject to any further administrative or judicial review.
- h. A retail sport's governing body must provide advance notification to the Gaming Commission that it desires to restrict, limit, or exclude wagering on its sporting events.

Section 14. Reports of Suspicious Wagers

- 14-1. As used in this section, “suspicious wager” means a wager which a retail sports book licensee knows or in the judgment of it or its directors, officers, employees and agents has reason to suspect is being attempted or was placed:
- a. In violation of or as part of a plan to violate or evade any tribal, federal, state or regulation prohibiting wagering on any amateur non-collegiate or collegiate sport or athletic event
 - b. In violation of or as part of a plan to violate or evade any tribal, federal, or state law or regulation prohibiting wagering by, or on behalf of, a coach or participant in a sport or athletic event
 - c. Has no business or apparent lawful purpose or is not the sort of wager which the patron would normally be expected to place, and the retail sports book licensee knows of no reasonable explanation for the wager after examining the available facts, including the background of the wager
 - d. With knowledge or intent to violate the integrity of the sport in which it was placed. Wagers that indicate cheating, manipulation, or interference with the regular conduct of sport shall also trigger the reporting requirements of Section 25
- 14-2. A retail sports book licensee:
- a. Shall file with the Gaming Commission, by using a form developed by the Gaming Commission, a report of any suspicious wager if it involves or aggregates to more than \$5,000.00 in funds or other assets
 - b. May file a report of any suspicious wager, regardless of the amount if the licensee believes it is relevant to the possible violation of any law or regulation
 - c. The report referenced in Section 14-2 (b) shall be filed no later than five (5) calendar days after the initial detection by the licensee of facts that may constitute a basis for filing such a report. If no suspect was identified on the date of the detection of the incident requiring the filing, a licensee may delay filing a report for an additional five (5) calendar days to identify a suspect. In no case shall reporting be delayed more than ten (10) calendar days after the date of initial detection of a reportable transaction. In situations involving violations that require immediate attention, the licensee shall immediately notify, by telephone, appropriate staff of the Gaming Commission in addition to timely filing a report.
 - d. A licensee shall maintain a copy of any report filed and the original or business record equivalent of any supporting documentation for a period of no less than five (5) years from the date of filing the report. Supporting documentation shall be

identified, and maintained by the licensee as such, and shall be deemed to have been filed with the report. A licensee shall make all supporting documentation available to the Gaming Commission and any appropriate law enforcement agencies upon request.

- e. A licensee and its directors, officers, employees, or agents who file a report pursuant to this regulation shall not notify any person involved in the transaction that the transaction has been reported. Any report filed with the Gaming Commission is confidential and may be disclosed only by the Gaming Commission in the necessary administration of its duties and responsibilities under the Gaming Ordinance. Any report, whether written or oral, is absolutely privileged under the Gaming Ordinance and does not impose liability for defamation or constitutes a ground for recovery in any civil action.

Section 15. Retail Sports Betting Communication Technology

- 15-1. Before installing or permitting the installation of any communications technology on the premises of a retail sports book, the retail sports book shall notify the Gaming Commission in writing of the location and number or other identifier of each communications technology and shall obtain the written approval of the Gaming Commission for each communications technology. The Gaming Commission may condition the approval in any manner they deem appropriate.
- 15-2. Before a retail sports book accepts any wagering communications, the retail sports book must obtain the written approval of the Gaming Commission to accept such wagering communications and wagering instructions and thereafter use only the communications technology approved for that purpose.
- 15-3. As a condition to the granting of the privilege of having communications technology on the licensed premises, the retail sports book shall be deemed to have consented to the authority of the Gaming Commission to require the immediate removal of any communications technology from the licensed premises at any time without prior notice of hearing. After any such removal, the retail sports book may request a hearing as to whether circumstances may warrant the permanent revocation of the privilege of having communications technology on the premises.
- 15-4. Upon the request of the Gaming Commission, a retail sports book shall provide written consent for the Gaming Commission to examine and copy the records of any telephone, telegraph, or other communications company or utility that pertains to the operation of the retail sports book.

Section 16. Retail Sports Betting by Electronic Means

- 16-1. Notwithstanding any other provision of these regulations to the contrary, the Gaming Commission may authorize electronic wagering to be conducted within an approved gaming facility on mobile devices as approved by the Gaming Commission.

16-2. Approved mobile gaming requires, at a minimum, the following:

- a. The patron shall establish a patron deposit account through the property where mobile gaming will be conducted, and an initial verification of the account must be done in person by a patron at the licensee's premises before the acceptance of any wager that will utilize mobile wagering.
- b. Mobile wagers shall only be placed by a patron who is physically located within the gaming facility.
- c. The Gaming Commission authorizes the device application for mobile gaming; provided that the Gaming Commission may establish any additional or more stringent licensing and other regulatory requirements necessary for the proper implementation and conduct of mobile gaming as authorized herein.

16-3. For the purposes of this provision, the approved facility shall include any area located within the property boundaries of the gaming facility that the Gaming Commission determines is legal for gaming. This shall not include parking garages or parking areas of the gaming facility.

16-4. The Executive Director shall ascertain and ensure, pursuant to rules and regulations issued by the Gaming Commission to implement mobile gaming pursuant to this provision, that mobile gaming shall not extend outside of the property boundaries of the gaming facility authorized under the Facility License issued by the Gaming Commission.

Section 17. Accounting

17-1. Each licensee shall prepare and maintain in a manner suitable to the Gaming Commission complete and accurate accounting records which includes the amount wagered at each retail sports book, the gross revenue generated from wagers, and required taxes paid.

17-2. The gross gaming revenue "win" shall mean the net win from gaming activities conducted by a gaming operation, which is the difference between gaming wins and losses before deducting costs and expenses, determined in accordance with GAAP.

Section 18. Global Risk Management

18-1. A retail sports book engaging in global risk management may provide direction, management, consultation, and/or instruction to the operator of a wagering retail sports book located in a permissible jurisdiction concerning:

- a. The management of risks associated with a wager for a race or sporting event or any other event for which the retail sports book is permitted to accept

- b. The determination of where lines, point spreads, odds, or other activity relating to betting or wagering are initially set and the determination of whether to change such lines, point spreads, odds, or other activity relating to betting or wagering
- c. Whether or not to accept or reject bets or wagers, to book bets or wagers, or to lay off bets or wagers
- d. The use, transmittal, and accumulation of information and data for the purpose of providing global risk management
- e. Any other activity associated with a retail sports book if approved in writing by the Gaming Commission prior to commencing direction, management, consultation, and/or instruction concerning the activity

18-2. A retail sports book which intends to provide global risk management shall:

- a. Enter into a written agreement to provide global risk management with any operator of a wagering sports book to which the book proposes to provide global risk management. A copy of such executed agreement with an operator of a wagering sports book located outside of Michigan shall be provided to the Gaming Commission no later than the date on which the retail sports book commences global risk management for the operator of the wagering sports book
- b. Provide details to the Gaming Commission regarding any permissible jurisdiction other than Michigan where the retail sports book intends to provide global risk management no later than the date on which the retail sports book commences global risk management in such permissible jurisdiction
- c. No later than the date on which a retail sports book commences global risk management, submit the retail sports book's systems of accounting and internal control utilized for global risk management to the Gaming Commission. Such systems must include provisions for complying with all federal laws and regulations
- d. Provide other information as the Gaming Commission may require concerning global risk management