

STATE OF MICHIGAN JOCELYN BENSON, SECRETARY OF STATE DEPARTMENT OF STATE LANSING

April 29, 2025

NOTICE OF FILING

ADMINISTRATIVE RULES

To: Secretary of the Senate
Clerk of the House of Representatives
Joint Committee on Administrative Rules
Michigan Office of Administrative Hearings and Rules (Administrative Rules #24-005-TY)
Legislative Service Bureau (Secretary of State Filing #25-04-10)
Department of Treasury

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2024-005-TY (Secretary of State Filing #25-04-10) on this date at 1:07 P.M. for the Department of Treasury entitled, "Internet Sports Betting Rules."

These rules become effective immediately after filing with the secretary of state unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

Sincerely,

Jocelyn Benson Secretary of State

Lashana Threlkeld, Departmental Supervisor

Lashana Threlkeld A.G.

Office of the Great Seal

Enclosure



GRETCHEN WHITMER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS LANSING

MARLON I. BROWN, DPA DIRECTOR

April 29, 2025

The Honorable Jocelyn Benson Secretary of State Office of the Great Seal Richard H. Austin Building – 1st Floor 430 W. Allegan Lansing, MI 48909

Dear Secretary Benson:

Re: Michigan Administrative Rules #: 2024-5 TY

The Michigan Office of Administrative Hearings and Rules received administrative rules, dated April 30, 2024 for the Department of Treasury "Internet Sports Betting Rules". We are transmitting these rules to you pursuant to the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6.

Sincerely,

Michigan Office of Administrative Hearings and Rules



GRETCHEN WHITMER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES SUZANNE SONNEBORN EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA DIRECTOR

LEGAL CERTIFICATION OF RULES

I certify that I have examined the attached administrative rules, dated April 30, 2024, in which the Department of Treasury proposes to modify a portion of the Michigan Administrative Code entitled "Internet Sports Betting Rules" by:

- ♦ Amending R 432.729 and R 432.754.
- ♦ Adding R 432.729a.

The Legislative Service Bureau has approved the proposed rules as to form, classification, and arrangement.

I approve the rules as to legality pursuant to the Administrative Procedures Act, MCL 24.201 <u>et seq.</u> and Executive Order No. 2019-6. In certifying the rules as to legality, I have determined that they are within the scope of the authority of the agency, do not violate constitutional rights, and are in conformity with the requirements of the Administrative Procedures Act.

Dated: July 25, 2024

Michigan Office of Administrative Hearings and Rules

Ashlee N. Lynn,

By: ashle N. Show

Attorney



GRETCHEN WHITMER
GOVERNOR

July 26, 2024

HENRY L. WILLIAMS, JR. EXECUTIVE DIRECTOR

CERTIFICATE OF ADOPTION

Internet Sports Betting Rules 2024-5-TY

Pursuant to the authority conferred on the Michigan Gaming Control Board by section 10 of the lawful sports betting act, 2019 PA 152, MCL 432.410, Michigan Gaming Control Board, do formally adopt the attached administrative rules:

R 432.729, R 432.729a, and R 432.754.

Date	
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Henry Williams, Executive Director	
Michigan Gaming Control Board	



Since 1941

Kevin H. Studebaker, Director

CERTIFICATE OF APPROVAL

On behalf of the Legislative Service Bureau, and as required by section 45 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.245, I have examined the proposed rules of the Department of Treasury dated April 30, 2024, amending R 432.729 and R 432.754, and adding R 432.729a of the Department's rules entitled "Internet Sports Betting Rules." I approve the rules as to form, classification, and arrangement.

Dated: July 25, 2024

LEGISLATIVE SERVICE BUREAU

Rachel M. Hughart, Legal Counsel

By

DEPARTMENT OF TREASURY

MICHIGAN GAMING CONTROL BOARD

INTERNET SPORTS BETTING RULES

Filed with the secretary of state on April 29, 2025

These rules become effective immediately after filing with the secretary of state unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

(By authority conferred on the Michigan gaming control board by section 10 of the lawful sports betting act, 2019 PA 149, MCL 432.410)

R 432.729 and R 432.754 of the Michigan Administrative Code are amended, and R 432.729a is added, as follows:

R 432.729 Vendor Requirements.

Rule 729. (1) Only vendors that are either approved by the board as a registered vendor pursuant to R 432.729a, or are exempt from registration under subrule (4) of this rule, may provide goods or services, or both, directly or indirectly, to a sports betting operator or internet sports betting platform provider in connection with internet sports betting in this state.

- (2) Vendors requiring registration include, but are not limited to, the following:
- (a) Affiliate marketers that do not have an agreement based on the sharing of gross sports betting receipts or adjusted gross sports betting receipts. In connection with its vendor registration, the affiliate marketer shall certify it does not promote or market, or both, illegal online gaming sites to individuals located in this state. An illegal online gaming site is one that is not licensed to accept wagers from customers located in this state or another state.
 - (b) Independent integrity monitoring providers.
 - (c) Payment processors.
- (d) A person that provides over \$100,000.00 worth of goods or services, or both, to a sports betting operator or internet sports betting platform provider in connection with its internet sports betting operation in this state in a calendar year.
 - (e) Data centers providing physical security and infrastructure.
 - (f) Another person as considered necessary by the board.
- (3) A sports betting operator or sports betting platform provider is prohibited from receiving goods or services in connection with internet sports betting in this state from a vendor that is either not registered with the board, or that is not exempt from registration under subrule (4)
- (4) Unless otherwise provided for by the board, the following persons are exempt from the vendor registration requirement:

- (a) A vendor that provides \$100,000.00 or less worth of goods or services, or both, to a sports betting operator or internet sports betting platform provider in connection with internet sports betting operation in this state in a calendar year.
 - (b) Insurance companies.
 - (c) An individual or entity that provides legal services.
 - (d) Entities providing medical related services.
 - (e) Public institutions of higher education in this state.
 - (f) Public utilities regulated by the public service commission.
 - (g) A Michigan or federally chartered depository financial institution.
- (h) An individual or business that provides goods or services as a result of the licensee's employees engaging in business travel, including transportation, lodging, food, and fuel providers.
 - (i) A person that provides employee training or professional development to a licensee.
- (j) A person that provides conferences, seminars, publications, or memberships that directly contribute to the work performance or professional development of the licensee's employees.
- (5) All of the following requirements apply regarding vendor conduct regardless of whether the vendor is required to register:
- (a) A vendor shall conduct itself in a manner that does not compromise the integrity of internet sports betting and comply with, the applicable provisions of the act and these rules.
 - (b) A vendor is subject to the jurisdiction of the board.
 - (c) A vendor shall provide information or records requested by the board.
- (d) A vendor shall cooperate with the board in any investigation, inspection, audit, or inquiry.
- (e) A vendor shall allow the board access to its facilities that are relevant to this state's internet sports betting operations.
- (f) A vendor shall notify the board of any change in information previously submitted to the board.
- (6) The board may conduct an investigation to determine if a vendor has acted in a manner that does or could compromise the integrity of internet sports betting in this state.
- (7) If the investigation reveals a vendor's conduct could or does compromise the integrity of internet sports betting in this state, the board may issue a cease-and-desist order, obtain injunctive relief, or take other action necessary to protect the integrity of internet sports betting in this state, or all 3.

R 432.729a Vendor Registration.

Rule 729a. (1) To register, a vendor shall complete and file with the board an application for registration and provide the required information in the manner and form prescribed by the board.

- (2) An application for registration and the required information must be submitted to the board, together with a nonrefundable application fee of \$200.00 by a payment method acceptable to the board, such as a certified check, cashier's check, money order made payable to "State of Michigan", or electronic fund transfer.
- (3) The board shall investigate all vendor applications for registration. The following may be considered during an investigation:

- (a) Criminal records.
- (b) Suspension of licenses or registrations certificates, or their equivalent, or other adverse actions in other jurisdictions.
 - (c) Business reputation.
 - (d) Associations with businesses and individuals.
 - (e) Compliance with gaming laws and regulations in this state and other jurisdictions.
 - (f) Compliance with all local, state, and federal tax laws.
 - (g) Other information considered appropriate by the board.
- (4) The executive director shall approve or deny an application for registration. If an application is denied, the person may submit a hearing request as provided for under R 432.714(2).
- (5) A vendor shall renew its registration every 5 years after the vendor's initial registration.
- (6) A vendor intending to renew its registration shall, at least 30 days before expiration of the vendor's registration, submit the required registration fee and application in the manner and form required by the board.

R 432.754 Responsible gaming.

Rule 754. Each sports betting operator's website or internet sports betting platform must display a responsible gaming logo in a manner approved by the board to direct an authorized participant to the sports betting operator's website or internet sports betting platform responsible gaming page. The responsible gaming page must be accessible to an authorized participant during an authorized participant session and contain, but is not limited to, the following:

- (a) A prominent message that informs authorized participants of a toll-free compulsive helpline number that the participants can call for help with a gambling problem.
- (b) A direct link to the Michigan Gaming Control Board Compulsive/Problem Gambling website and other organizations based in the United States that are dedicated to helping people with potential gambling problems.
- (c) A clear statement of the sports betting operator's or internet sports betting platform provider's policy and commitment to responsible gaming.
- (d) Other responsible gaming measures required by the board.

ON 4-29-25 AT 1:07 DM