MEMORANDUM

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To: All Illinois Sports Wagering Operators From: Marcus D. Fruchter, IGB Administrator

Jared L. Smith, IGB Director of Sports Wagering

Date: March 9, 2021

Subject: Wagering on Illinois Collegiate Teams in College Basketball Tournaments

The Illinois Gaming Board (the "Board" or "IGB") is issuing this Memorandum as a reminder regarding the statutory bar against wagering on Illinois collegiate teams. We are taking this opportunity to address the applicable statutory provisions and IGB Rules on this topic in connection with upcoming college basketball tournaments.

Under Section 25(d) of the Illinois Sports Wagering Act, a licensee "may not accept a wager for a sports event involving an Illinois collegiate team." 230 ILCS 45/25-25(d) (emphasis added).

Sports Wagering Rule 1120(b)(2), which implements Section 25(d) of the Sports Wagering Act, included the following prohibitions:

- b) The following wagers are prohibited:
 - 2) Wagering on a sports event involving an Illinois collegiate team or individual competing through an Illinois collegiate program.
 - A) This prohibition includes any combination wager the outcome of which may be determined by the performance of an Illinois participant, including but not limited to:
 - i) Parlay bets in which a component contest involves an Illinois collegiate team or individual competing through an Illinois collegiate program; and
 - ii) Fantasy sports in which individuals competing through an Illinois collegiate program may be selected.
 - B) This prohibition does not include wagering on the final outcome of a series or combination of sports events such as a tournament or season outcome that includes both Illinois and non-Illinois collegiate teams or individuals, so long as no wager is accepted on the Illinois participant.

The interplay of Section 25(d) and Rule 1120(b)(2)(B) with college basketball tournaments raises the following two potential issues of regulatory concern:

- 1. Under what circumstances are cumulative wagers allowed in Illinois (for example, wagers based on the total points scored in a given tournament round or an entire tournament or the total number of wins by teams from a single conference, etc.)?
- 2. What are the allowable processes for accepting and resolving futures wagers where one possible outcome involves a winning collegiate team from Illinois (for example, a futures wager on the Big Ten Men's Basketball Tournament, which will include two Illinois collegiate teams)?

These issues are discussed in turn. First, cumulative wagers that include the performance of an Illinois collegiate team or player are acceptable as a wager on a "combination of sports events," so long as patrons cannot specifically choose Illinois teams or Illinois collegiate players. 11 Ill. Adm. Code 1120(b)(2)(B). Accordingly, and by way of explanation, this means that wagering on total points scored in the first round of a tournament or an entire tournament would be acceptable; but, parlays or comparison bets (such as "will Player X out score Player Y" where either Player X or Player Y is a player on an Illinois collegiate team) would be unacceptable. *See also*, 11 Ill. Adm. Code 1120(b)(2)(A)(ii).

Second, futures wagers where an Illinois collegiate team is one of many possible winners are acceptable, "so long as no wager is accepted on the participating Illinois participant." 11 Ill. Adm. Code 1120(b)(2)(B). For example, and by way of explanation, placing a wager on the final winner of the NCAA Women's Basketball Tournament before the start of the tournament would be acceptable so long as a wager is not placed on a specific Illinois collegiate team. Similarly, a licensee could not offer a field bet that included an Illinois collegiate team as a possible winner.

Notwithstanding the statutory ban on wagers involving Illinois collegiate teams, the Sports Wagering Act and Board Rules are silent on how operators should grade futures wagers in the event that an Illinois collegiate teams wins the underlying tournament. Thus, each sports wagering operator must decide for itself (within the boundaries of the Sports Wagering Act and Rules) how it will resolve futures bets under such circumstances. Operators must decide whether a victory by an Illinois collegiate team will be graded as either a loss for all patrons or as a push for all patrons.

As a reminder, Rule 1510 requires each operator to include its respective rules of wagering in its internal control system. 11 Ill. Adm. Code 1900.1520(c)(5). Rule 1190 further requires that this information is documented in the operator's house rules and made available to patrons. 11 Ill. Adm. Code 1900.1190(d)(2). Operators are reminded to review their internal controls and house rules to ensure compliance with this requirement. Operators are also encouraged to make this information easily accessible and conspicuously visible to all patrons.

Thank you for your cooperation and compliance with applicable gaming statutes and Board Rules.