

**STATE OF ILLINOIS
ILLINOIS GAMING BOARD**

RULE 1900.1170(c) ORDER

FEBRUARY 20, 2025

*In re December 1, 2024 NCAA Men's
Basketball Game Between Norfolk State
University and Stony Brook University*

ORDER

This matter comes before the Illinois Gaming Board (the "Board" or "IGB") under Section 1900.1170 ("Cancelled or Void Wagers") of the Board's Adopted Rules for Sports Wagering (the "Rules"). 11 Ill. Adm. Code 1900.1170. This Order issues under Rule 1170(d). 11 Ill. Adm. Code 1900.1170(d).

I. SUMMARY

On December 11, 2024, American Wagering, Inc. d/b/a Caesars Sportsbook ("Caesars"), on behalf of Elgin Riverboat Resort d/b/a Grand Victoria Casino ("Grand Victoria Casino"), submitted a request under Sports Wagering Rule 1900.1170(c) to cancel certain wagers on the first half spread of the December 1, 2024 NCAA men's basketball game between Norfolk State University and Stony Brook University (the "Request"). Caesars reported wagering activity it considered suspicious based on the size, volume, and pattern of wagering.

For the reasons discussed below, sufficient grounds do not exist to justify cancellation of the subject wagers. The Request is denied, and Caesars shall honor the subject wagers.

II. RELEVANT FACTUAL BACKGROUND

Caesars is a Management Services Provider Licensee, conducting the sports wagering operation on behalf of Master Sports Wagering Licensee and affiliated entity Grand Victoria Casino in Elgin, Illinois. During all relevant times, Caesars offered wagering on NCAA men's basketball contests. Specifically, Caesars offered point spread wagers on individual half totals of NCAA games, the outcome of which is determined by which team scores a greater number of points in one half of a basketball game, as modified by a point spread.¹

On December 1, 2024, Caesars was offering first half point spread wagering on the NCAA men's basketball game between Norfolk State University and Stony Brook University.² At the

¹ A point spread is a negative number applied to the total points scored by the perceived favorite in the competition, or a positive number applied to the perceived underdog, to enable wagering on either team.

² Norfolk State University is a member of the Mid-Eastern Athletic Conference. Stony Brook University is a member of the Coastal Athletic Association.

start of wagering on the game, Norfolk State was considered the favorite with a -2.5 point spread. Caesars responded to significant wagering on Norfolk State by increasing its offered point spread to -4, despite other sportsbooks maintaining the lower point spread. Caesars observed multiple patron accounts it identified as likely associated with members of the same family making continued attempts to place higher than average stake wagers on the Norfolk State first half spread – notwithstanding the increased Caesars point spread. Norfolk State defeated Stony Brook by a score of 77-66.

Based the wagering activity it observed, Caesars determined the activity was suspicious and suspended wagering on the game. Caesars subsequently reported the incident to a third-party sports integrity monitor.

On December 11, 2024, Caesars submitted its Rule 1170(c) Request to cancel 11 wagers placed by three related patron accounts on the first half spread of the December 1, 2024 NCAA basketball game between Norfolk State University and Stony Brook University. The total stake of the wagers is \$5,850, which would result in a possible total payout of approximately \$11,103.

III. DISCUSSION

Our analysis begins with Sports Wagering Rule 1170(c). Under the Rule, a sports wagering operator may ask the Administrator to order the cancellation of certain wagers. Specifically, Rule 1170(c) provides as follows:

A master sports wagering licensee may request the Administrator to order the cancellation of all wagers of a specific type, kind, or subject. A request to cancel shall be in writing, and contain the following:

1. A description of the type, kind, or subject of wager the licensee is requesting to cancel;
2. A description of any facts relevant to the request; and
3. An explanation why cancelling the wagers is in the best interests of the State of Illinois or ensures the integrity of the Illinois sports wagering industry.

11 Ill. Adm. Code 1900.1170(c)

As an initial matter, we note that the Request did not address the third prong of Rule 1170(c). For purposes of analysis, and based on the nature of the subject wagers, we will infer that Caesars suspects that the wagering activity indicates potential insider wagering, point shaving, or other activity that presents integrity concerns. Based on this inference, we turn to Rule 1170(d) to guide our determination of Caesars' Rule 1170(c) Request. Rule 1170(d) states as follows:

In determining whether to grant or deny the request, the Administrator shall consider any relevant factors, including, but not limited to the following:

1. Whether the alleged facts implicate the integrity of the sports event subject to the wager or the Illinois sports wagering industry;
2. Whether the alleged facts implicate possible illegal activity relating to the sports event or the Illinois sports wagering industry;
3. Whether allowing the wager would be unfair to wagering patrons and
4. Whether allowing the wager is contrary to public policy.

11 Ill. Adm. Code 1900.1170(d).

The purpose of the Rule 1170(d) analysis is to determine as near as possible based on available facts and information whether wagering activity that may appear suspicious rises to a level that necessarily implicates conduct that is likely unethical, illegal, unfair to wagerers, or undermines game integrity or sports wagering integrity. There can be no legitimate disagreement that such conduct has no place in sports or sports wagering. Yet, it is likewise the case that gaming integrity (and Rule 1170) requires something more than a hunch or mere suspicion to justify the cancellation of an otherwise properly made patron wager.

Analyzing the record here, we are confronted by a lack of corroborating information about the subject wagers. To date, more than 60 days after the initial report, IGB staff has not developed more probative information related to the subject wagers. No interested parties, including third-party sports integrity monitors, the relevant universities and athletic conferences, the NCAA, or other Illinois sports wagering licensees, have presented additional information.

We nonetheless recognize and understand why Caesars identified this wagering activity as suspicious. Caesars took the correct approach to suspend the wagering and report the unusual activity it observed. Indeed, seemingly coordinated wagering for non-trivial stakes on an unremarkable non-conference, lower-tiered basketball game could be indicative of any number of potential root causes. Some possibilities like match-fixing, point shaving, or insider wagering would present several significant integrity concerns. Conversely, other possible causes such as patrons wagering based on either innocently obtained nonpublic information or a well-grounded (or lucky) feeling generally do not implicate such concerns.

Based on the available information, we cannot conclude that the facts alleged in the instant Rule 1170(c) Request implicate either the integrity of the subject basketball game or possible illegal activity. We similarly lack a basis to conclude that allowing the wagers would be unfair to patrons or contravene public policy. While we may agree that the wagering activity here raises suspicion, such suspicion without more is insufficient to warrant cancellation of the wagers.

By its nature, the sports wagering industry presents inherent risks to sportsbook operators when setting lines and choosing what markets to offer patrons. Illinois licensees are encouraged to exercise sound business judgment in evaluating such risks and making those determinations. Protecting the integrity of sports wagering and the integrity of sport are overlapping and interconnected responsibilities that demand joint efforts from regulators and law enforcement,


sports wagering operators, sports teams, integrity monitors, leagues, sport governing bodies, and colleges and universities.

IV. CONCLUSION

Caesars' Rule 1170(c) Request to cancel the identified December 1, 2024 Norfolk State University-Stony Brook University NCAA men's basketball game wagers is **DENIED**.

Caesars is ordered to honor all such wagers to affected Illinois patron sports wagering accounts.

Entered: February 20, 2025



Marcus D. Fruchter
Administrator
Illinois Gaming Board