# STATE OF ILLINOIS ILLINOIS GAMING BOARD

**RULE 1900.1170(j) ORDER** 

**JUNE 3, 2025** 

In re BetMGM, LLC March 2, 2025 NBA Basketball Game Chicago Bulls vs. Indiana Pacers

#### **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(j). 11 Ill. Adm. Code 1900.1170(j).

## I. <u>SUMMARY</u>

On March 5, 2025, Illinois sportsbook patron Mark Aiello ("Aiello") submitted a complaint to the IGB, seeking Administrator review of voided wagers Aiello placed through BetMGM, LLC ("BetMGM") on the March 2, 2025 National Basketball Association ("NBA") game between the Chicago Bulls and the Indiana Pacers. On March 2, 2025, BetMGM voided the wagers pursuant to Sports Wagering Rule 1900.1170(k) and the Obvious Error provision of BetMGM's Illinois House Rules. Specifically, human error on the part of the BetMGM trading team resulted in multiple proposition wagers becoming available to patrons at incorrectly inflated odds.

For the reasons discussed below, a reasonable basis exists to believe an obvious error occurred in the placement or acceptance of Aiello's wagers. Accordingly, Aiello's Request is denied and the subject wagers remain void.

#### II. RELEVANT FACTUAL BACKGROUND

BetMGM is a Management Services Provider Licensee, conducting the online sports wagering operation on behalf of Master Sports Wagering Licensee Par-A-Dice Hotel Casino. During all relevant times, BetMGM offered wagering on NBA games. BetMGM offered a variety of proposition bets ("prop bets") on NBA games, including as part of single game parlays ("SGP"). A parlay is a bet where multiple separate outcomes must all occur for a patron to win the bet. A SGP is a parlay in which each outcome occurs in the same single sporting event. The total odds of a parlay bet are determined based on the odds of each separate constituent leg of the bet.

<sup>&</sup>lt;sup>1</sup> BetMGM accepts Illinois online sports wagers on behalf of Par-A-Dice Gaming Corporation d/b/a Par-A-Dice Hotel Casino ("Par-A-Dice Hotel Casino") in East Peoria, Illinois.

On March 1, 2025, BetMGM published odds to allow patrons to wager on player performances in the NBA contest scheduled for 4:00 PM (CT) on March 2, 2025 between the Chicago Bulls and the Indiana Pacers. At 10:50 PM (CT), the BetMGM Trading Team unpublished the event, thereby preventing further wagering, for the purpose of adjusting pricing on various items related to the game. To adjust pricing, BetMGM protocols require the BetMGM Trading Team to take four steps in the following order: 1) unpublish the event; 2) adjust pricing outputs as needed; 3) republish the event; and 4) unsuspend the market.

Due to human error by a member of the BetMGM Trading Team, steps three and four occurred out of order, causing the market to become unsuspended before publication of the corrected odds. As a result, the pricing of individual parlay legs was not properly updated. This error caused a number of prop markets to become available for wagering at incorrectly inflated odds. These incorrect prices were not just a question of magnitude, but also included instances where occurrences that should have been priced as favorites were instead priced as underdogs. When combined as legs in a SGP, the overall value of the SGP was itself even further inflated. These incorrect prices became available to patrons on March 2, 2025 at 8:02 AM (CT).

Between 8:43 AM and 8:47 AM (CT) on March 2, 2025, Aiello placed four SGP wagers for \$500 each on the Bulls-Pacers game. Those wagers were placed at odds of +17500, +25000, +35000, and +35000. The BetMGM Trading Team became aware of the pricing mistake at 11:04 AM (CT). BetMGM disabled the SGP offering for this game at 11:07 AM (CT). BetMGM determined the correct pricing for the SGP wagers in question should have been +1860, +2700, +3200, and +3600 respectively, with each wager being incorrectly priced by approximately a factor of ten.

Prior to the commencement of the Bulls-Pacers game in question, BetMGM voided all four of Aiello's wagers. BetMGM corrected its pricing, and resumed offering SGP wagers on the Bulls-Pacers game at correct pricing at 3:49 PM (CT) on March 2 – 11 minutes before the scheduled 4:00 PM (CT) tip-off of the game. BetMGM notified Aiello about the voided wagers by email. BetMGM self-reported the pricing error and voids to the IGB on March 3, 2025.

On March 5, 2025, Aiello submitted a Rule 1170(j) Requests for Administrator review of BetMGM's determination to void the subject wagers.

#### III. <u>DISCUSSION</u>

Our analysis begins with Sports Wagering Rule 1170(k). Under the Rule, a sports wagering operator may void a wager where there was obvious error in the placement or acceptance of the wager. Specifically, Rule 1170(k) provides as follows:

A master sports wagering licensee may declare a wager to be void if the licensee has reasonable basis to believe there was obvious error in the placement or acceptance of the wager. Those errors include, but are not limited to:

1. The wager was placed with incorrect odds;

- 2. Human error in the placement of the wager;
- 3. The ticket does not correctly reflect the wager; or
- 4. Equipment failure rendering a ticket unreadable

# 11 Ill. Adm. Code 1900.1170(k)

Sports Wagering Rule 1170(j) allows a patron to ask the Administrator to review any wager voided by a sports wagering operator. If the Administrator concludes there is no reasonable basis to believe there was obvious error in the placement or acceptance of the wager, the Administrator may order the master sports wagering operator to honor the wager. To evaluate the pending Rule 1170(j) Request, IGB staff spoke with Aiello and BetMGM staff, and reviewed internal BetMGM records. BetMGM cooperated with all IGB requests and directives.

In this case, the evidence demonstrates that a human error led to BetMGM making the pricing available to patrons at a level that significantly diverged from the intended pricing for the March 2, 2025 Bulls-Pacers game. The evidence further shows that the incorrect pricing was not a question of poor judgment by BetMGM in its assessments of likely statistical outcomes, but instead was the result of specific, identifiable failure by BetMGM staff to follow the necessary and established procedures for pricing updates. This conclusion is corroborated by the fact that all meaningful actions BetMGM took to correct the error occurred prior to the commencement of the subject Bulls-Pacers game. Thus, all evidence is consistent with a good faith effort by BetMGM to correct the human error it made the day before the game. There is no evidence to suggest that BetMGM acted improperly to avoid having to make good on a bad bet.

In a competitive and robust market, not all sports wagering operators will necessarily offer the exact same odds on any given wager. Indeed, some variation among operators is expected. Further, when exercising sound business judgment, sports wagering operators may nonetheless still make incorrect assessments of likely sports occurrences when setting their lines and prices. In that regard, the operator is subject to the inherent risks faced by sportsbooks and patron alike every time an operator makes a wager available to the public. However, ensuring the accurate pricing of wagers based on correctly considered data sources is a fundamental aspect of maintaining the integrity and fairness of sports wagering. Where significantly divergent pricing is the result of error, whether human or technical, a sports wagering operator is permitted under Illinois law to correct the mistake. This is particularly true where, as here, the error is singular and discretely identifiable, and where it has been both identified and rectified prior to the commencement of the sporting event.

## IV. CONCLUSION

For the reasons discussed above, there is reasonable basis to believe there was obvious error in BetMGM's Single Game Parlay pricing of the March 2, 2025 NBA contest between the Chicago Bulls and the Indiana Pacers. Therefore, Aiello's Request under 11 Ill. Admin. Code 1900.1170(j) is hereby **DENIED.** 

Entered: JUNE 3, 2025

Marcus D. Fruchter Administrator Illinois Gaming Board