

**STATE OF ILLINOIS
ILLINOIS GAMING BOARD**

RULE 1900.1170(j) ORDER

APRIL 24, 2023

*In re Hawthorne Race Course, Inc.
April 5, 2023 Tyus Jones Double-Double*

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. SUMMARY

Beginning on April 6, 2023, multiple sports wagering patrons (“Patrons”) submitted Sports Wagering Rule 1900.1170(j) requests seeking Administrator review of voided wagers the Patrons placed on or about April 5, 2023 through PointsBet Illinois LLC (“PointsBet”).¹ On April 6, 2023, PointsBet voided the wager pursuant to Sports Wagering Rule 1900.1170(k) on the grounds of the obvious error that due to a technical error, the PointsBet sports wagering system made a wager available at incorrect odds.

For the reasons discussed below, a reasonable basis exists to believe there was obvious error in the placement or acceptance of the Patrons’ wagers. Accordingly, the Patrons’ requests are denied and the subject wagers remain void for the reasons discussed below.

II. RELEVANT FACTUAL BACKGROUND

PointsBet is a Management Services Provider Temporary Operating Permit Holder, conducting the sports wagering operation on behalf of Master Sports Wagering Licensee HCRC. During all relevant times, PointsBet offered wagering on National Basketball Association (“NBA”) games. PointsBet offered a variety of proposition bets (“prop bets”) on NBA games, including whether a particular player would register over a certain value in one or more statistical categories, including whether a player would record a “double-double.” A “double-double” is when a player obtains a double-digit result for two major statistical categories, such as points scored, rebounds, or assists.

On April 5, 2023, one of the wagers PointsBet offered was whether Memphis Grizzlies player Tyus Jones (“Jones”) would record a double-double. Due to a data mapping error, PointsBet did

¹ PointsBet accepts Illinois sports wagers on behalf of Hawthorne Race Course, Inc. d/b/a Hawthorne Casino and Race Course (“HCRC”) in Stickney, Illinois.

not account for the likelihood that Jones would record greater than 10 assists in the game. As a result, PointsBet offered a +1700 wager on whether Jones would record a double-double. PointsBet self-reported the pricing error, and in doing so stated that a correct pricing of the wager would be at or around +300 odds. At least one competing sportsbook operator in Illinois offered the same wager at or around +311 odds.

PointsBet made the +1700 line available to the public at approximately 1:45 P.M. Central Time on April 5, 2023, for the April 5, 2023, game between the Memphis Grizzlies and the New Orleans Pelicans scheduled for later that evening. Between 1:45 P.M and 1:54 P.M., the Patrons placed 18 total wagers. During that time, the PointsBet trading team manually reviewed multiple wagers, which alerted the trading team to the pricing error at issue here. The PointsBet trading team staff realized the +1700 price the wager they offered was substantially different than the price available at other sportsbook operators. The trading team removed the wager at 1:54 P.M.

On April 6, 2023, the PointsBet trading team notified the PointsBet compliance team of the issue. PointsBet staff determined the underlying cause of the issue to be that the betting line was calculated without considering how likely Jones was to record 10 or more assists. After consultation between the trading, compliance, and customer service teams, PointsBet decided to void the wager pursuant to Rule 1170(k)(1). The total combined stake of all impacted Illinois Patron wagers was \$512.

Beginning on April 6, 2023, multiple Patrons submitted Rule 1170(j) requests for Administrator review of PointsBet's determination to void the subject wager.

III. DISCUSSION

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 Patrons' request, IGB staff instructed PointsBet to provide contemporaneous documentation of the decision-making process which led to the void. PointsBet cooperated with all IGB requests.

In this case, a single technical error caused PointsBet to make a wager available at a price significantly inconsistent with the true expected value of the wager. Because of close monitoring by the PointsBet trading team, PointsBet was able to determine the +1700 price was erroneous and take the wagers down within nine minutes of the initial wager offer to the public. Even without knowing the root cause, the trading team was able to compare the PointsBet offering to that of competitors and identify an obvious error.

Not all sports wagering operators will necessarily offer the exact same odds on any given wager, and some variation among operators is expected. However, accurate pricing of wagers based on correctly considered data sources is a fundamental aspect of maintaining the integrity and fairness of sports wagering.

In this instance, it is unnecessary to examine the Patrons' behavior for any inferences as to whether the Patrons were aware of the erroneously priced wager, or intentionally sought to take advantage of the error for their own benefit. Accordingly, this Order draws no conclusions and makes no judgment in that regard.

IV. CONCLUSION

For the reasons discussed above, there is reasonable basis to believe there was obvious error in PointsBet's pricing of the in the April 5, 2023, Tyus Jones double-double line. Therefore, Patrons' requests under 11 Ill. Admin. Code 1900.1170(j) are hereby **DENIED**.

Entered: April 24, 2023



Marcus D. Fruchter
Administrator
Illinois Gaming Board