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GOVERNOR

STATE OF MICHIGAN  
**MICHIGAN GAMING CONTROL BOARD**  
DETROIT

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**TECHNICAL BULLETIN No. 2024-01**  
**SERVER AND EQUIPMENT LOCATION**  
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This technical bulletin applies to internet gaming conducted pursuant to the Lawful Internet Gaming Act (LIGA), 2019 PA 152, and internet sports betting conducted pursuant to the Lawful Sports Betting Act (LSBA), 2019 PA 149. Without limitation, the following are subject to this technical bulletin:

- (1) Internet gaming operators and sports betting operators (operator or operators).
- (2) Internet gaming platform providers and internet sports betting platform providers (platform provider or platform providers).
- (3) Internet gaming platforms and internet sports betting platforms (platform or platforms).
- (4) Internet gaming suppliers and sports betting suppliers (supplier or suppliers).
- (5) Vendors registered under the LIGA and/or the LSBA (vendor or vendors).
- (6) Internet wagers and internet sports betting wagers (wager or wagers).
- (7) Internet wagering accounts and internet sports betting accounts (account or accounts).

Under R432.634(1) and R432.734(1), unless otherwise approved by the board, an operator and its platform provider must place a server or other equipment that is capable of receiving wagers in the state of Michigan. The location selected must have adequate security, protections, and controls over the servers, including those prescribed in the following, as applicable:

- (1) For internet gaming: Gaming Laboratories International, LLC Standard GLI-19, Standards for Interactive Gaming Systems, version 3.0 (GLI-19).
- (2) For internet sports betting: Gaming Laboratories International, LLC Standard GLI-33, Standards for Event Wagering Systems, version 1.1 (GLI-33).

The board understands that locating servers or other equipment capable of receiving wagers outside the state of Michigan may be necessary to facilitate the conduct of multijurisdictional internet poker, as authorized in the LIGA, MCL 432.305(3), and/or multijurisdictional sports betting, as authorized in the LSBA, MCL 432.405(3). The board may approve placement of servers or other equipment capable of receiving wagers outside the state of Michigan, subject to all of the following conditions:

- (1) The server or other equipment must be located in a jurisdiction with which the board has entered into a multijurisdictional agreement. Such jurisdiction must approve of having the server or other equipment located within its jurisdictional boundaries.
- (2) The location of the server or other equipment must be approved by the board.
- (3) The location, the server or equipment, and the operation thereof must comply with all other applicable requirements of the LIGA and/or the LSBA, the related administrative rules, this technical bulletin, and any other conditions or directives of the board.

Under R432.634(1) and R432.734(1), the operator and its platform provider must provide the board with information on the location of all servers.

Under R432.632a(1) and R432.732a(1), each platform provider must submit its platform proposed for use by an operator to the board or to an independent lab approved by the board for evaluation. The platform provider must provide all information the board requests including, in pertinent part:

- (1) A complete, comprehensive, and technically accurate description and explanation of the platform and its intended use in both technical and lay language.

- (2) A detailed description of the risk management framework.
- (3) For an internet gaming platform, a description of all hardware devices and a description of all software, including software version.

The information provided must include, without limitation, a detailed overview of the platform which must address all of the following:

- (1) Platform architecture, which must include, without limitation, a detailed description of each component, each component's functionality, and a technical and legal explanation of whether each component's functionality is capable of receiving wagers.
- (2) Encryption methods utilized.
- (3) User roles and permission settings.
- (4) Configuration settings.
- (5) Logical and physical security controls.

Components Capable of Receiving Wagers; Must be Located in the State of Michigan

Each platform provider must identify those components with any functionality capable of receiving wagers and must locate those components within the state of Michigan or, for purposes of facilitating multijurisdictional internet poker and/or multijurisdictional internet gaming only, in another jurisdiction approved by the board subject to all of the conditions listed above. Components that perform functions capable of receiving wagers generally include primary or secondary components that facilitate the placement or acceptance of wagers. These include, but are not limited to:

- (1) Remote internet gaming or internet sports betting systems.
- (2) Components that house random number generators (if applicable).
- (3) For an internet sports betting platform, components that facilitate event or wagering proposition posting and selection.
- (4) Other internet gaming or internet sports betting layer components.
- (5) Any other components that facilitate the placement or acceptance of wagers.

Components not Capable of Receiving Wagers; Must be Located in the United States

Components with no functionality capable of receiving wagers may be located outside of the state of Michigan; however, the location selected must be in the United States. Unless otherwise provided in any applicable federal or state law or regulation, the following are not generally functions that are capable of receiving a wager:

- (1) Account management and wallet type functions that provide a mechanism for individuals or authorized participants to create and manage an account and perform deposits to and withdrawals from an account.
- (2) Payment processing, geofencing, and individual or authorized participant identification functions, whether performed by the operator, the platform provider, or a supplier, vendor, or other third-party service provider.

Platform Security, Protections, and Controls; Applicable to all Components and Locations

Under R432.634(1) and R432.734(1), the platform must be housed in secure locations, with each location selected having adequate security, protections, and controls over the servers including those adopted under R432.633(2) -GLI-19 and R432.733(2) – GLI-33, as applicable. Under R432.639(1) and R432.739(1), operators and their platform providers must adopt, implement, and maintain technical security standards (controls) that meet or exceed those adopted in R432.633(2) and R432.733(2). These controls must be incorporated into the operator's or platform provider's internal controls which are submitted to the board for approval.

Under R432.639(2) and 432.739(2), operators and platform providers must detail the controls that are in place to assure that all data the board requires to be maintained under the LIGA or the LSBA is

appropriately segregated and controlled to prevent unauthorized access. Under R432.628(6), R432.728(6), R432.665b, and R432.765b, operators and platform providers must provide the board with access to all such data and the equipment and facilities on which or within which the data is maintained.

Under R432.639(2) and 432.739(2), a business continuity and disaster recovery plan must be in place to recover gaming operations conducted under the LIGA and the LSBA if the platform production environment is rendered inoperable. In furtherance of this rule requirement, primary and secondary (redundant or backup) servers and equipment must be located in separate locations to ensure that the backup and recovery of internet gaming and/or internet sports betting operations and data can be performed in the event of a platform failure or other disaster.

The board reserves the right to reassess or clarify the guidance provided in this technical bulletin at any point in the future in response to a legal interpretation, to include additional measures that are required, to adjust to changes in technology or platform design, or for any other reason necessary to regulate internet gaming under the LIGA or internet sports betting under the LSBA.