



**GRETCHEN WHITMER**  
GOVERNOR

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

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**TECHNICAL BULLETIN**  
**No. 2020-03**

**DATE:** August 6, 2020

**TO:** Internet gaming operators, sports betting operators, internet gaming platform providers, and internet sports betting platform providers

**CC:** GLI and BMM

**FROM:** Richard Kalm, Executive Director

**SUBJECT:** Location and security of internet gaming servers, internet sports betting servers, and other equipment

***For discussion purposes only - pending approval of final rules***

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 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).

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 operator and its platform provider must provide the board with information on the location of all servers.

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. 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

The platform must be housed in secure locations, with each location selected having adequate security, protections, and controls over the servers. Operators and their platform providers must provide the board with information on the location of all platform servers. The secure locations must have sufficient protection from unauthorized access and physical and environmental hazards and be equipped with surveillance and security systems that meet or exceed industry standards.

Operators and platform providers must adopt, implement, and maintain technical security standards (controls) that meet or exceed those prescribed in GLI-19 or GLI-33, as applicable. These controls must be incorporated into the operator's or platform provider's internal controls which are submitted to the board for approval.

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 LSBA is appropriately segregated and controlled to prevent unauthorized access. 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.

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.

If you have any questions regarding this technical bulletin, please contact David Hicks at [hicksd8@michigan.gov](mailto:hicksd8@michigan.gov) or (517) 241-1659.