



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD
DETROIT

HENRY L. WILLIAMS, JR.
EXECUTIVE DIRECTOR

Memorandum

TO: Commercial Casinos, Gaming-Related Commercial Casino Suppliers, Internet Gaming Operators, Internet Gaming Suppliers, Sports Betting Operators, Sports Betting Suppliers, and Fantasy Contest Operators (Licensees)

FROM: Henry Williams, Executive Director

DATE: October 3, 2025

SUBJECT: Involvement in Prediction Markets

The Michigan Gaming Control Board (MGCB) understands that certain licensees may be considering opportunities to operate, offer, or facilitate access to prediction markets, where individuals can buy, sell, and trade event contracts that are based on a future event, occurrence, or value. The MGCB further understands that many of these prediction markets would offer sporting event contracts – event contracts in which an individual acquires a position on the outcome of a sporting event or other occurrence related to a sporting event – and would not operate in accordance with state gaming laws or pursuant to state-issued gaming licenses. The MGCB writes to make you aware that any involvement in the offering of sporting event contracts, directly or via an affiliate, key person, related business entity, or other association, will have implications relative to your licensure in Michigan.

Under the Michigan Gaming Control and Revenue Act, MCL 432.201 *et seq.*, the Lawful Internet Gaming Act, MCL 432.301 *et seq.*, the Lawful Sports Betting Act, MCL 432.401 *et seq.*, and the Fantasy Contests Consumer Protection Act, MCL 432.501 *et seq.*, and their respective administrative rules, the MGCB is tasked with developing licensing qualifications, standards, and procedures and evaluating a person's suitability for licensure, both when an application is made and on a continuing basis.¹ It is the burden of a person applying for or holding a license to establish and maintain its suitability as to character, reputation, integrity, business probity, and financial ability, which must be demonstrated by clear and convincing evidence and is impacted by a person's conduct – including that of its affiliates, key persons, related business entities, and other associates – in both Michigan and other jurisdictions.²

¹ See MCL 432.204(14)(a) & (d)(iii); 432.204a(1)(e); 432.206; 432.207a; 432.306; 432.308; 432.309(1)(a); 432.310(b); 432.406; 432.408; 432.409(1)(a); 432.410(1)(g); & 432.503(6)-(8). See also Mich. Admin. Code Rules 432.1301(6); 432.1304(1); 432.1305; 432.1306; 432.1307(r); 432.1313(1); 432.1324; 432.1326; 432.11101(2); 432.513(3)(a)-(b); 432.516(1); 432.525; 432.525a(1); 432.525b; 432.528(6); 432.613(3)(a)-(b); 432.616(1); 432.625; 432.625a(1); 432.625b; 432.628(6); 432.713(3)(a)-(b); 432.716(1); 432.725; 432.725a(1); 432.725b; & 432.728(6).

² See MCL 432.204(14)(a); 432.206; 432.207a; 432.306(2); 432.406(2); & 432.503(6)-(8). See also Mich. Admin. Code Rules 432.1301(2) & (6)(b); 432.1307(c)(i); 432.1313; 432.1326; 432.11101(1); 432.525b(2); 432.528(2) & (6)(b); 432.625b(2); 432.628(2) & (6)(b); 432.725b(2); & 432.728(2) & (6)(b).

As the MGCB fulfills its statutory duty to monitor and evaluate each licensee's continued suitability for licensure, it will consider whether the licensee and its affiliates, key persons, related business entities, and any other associates are involved in the offering of sporting event contracts in Michigan and other jurisdictions. Conduct that will be taken into account includes, but is not limited to, the following:

- Directly or indirectly operating, offering, or facilitating access to sporting event contracts in Michigan, except to the extent such contracts are approved by the MGCB and operated pursuant to Michigan law and an MGCB-issued license.
- Partnering, coordinating, or associating with an entity that operates, offers, or facilitates access to sporting event contracts in Michigan, except to the extent such contracts are approved by the MGCB and operated pursuant to Michigan law and an MGCB-issued license.
- Directly or indirectly operating, offering, or facilitating access to sporting event contracts in any jurisdiction other than Michigan in which a regulatory body, law enforcement agency, or other governmental authority has expressly objected to or acted in any way to prevent or cease the offering of sporting event contracts in such jurisdiction.
- Partnering, coordinating, or associating with an entity that operates, offers, or facilitates access to sporting event contracts in any jurisdiction other than Michigan in which a regulatory body, law enforcement agency, or other governmental authority has expressly objected to or acted in any way to prevent or cease the offering of sporting event contracts in such jurisdiction.

Each licensee is under an ongoing duty to notify the MGCB of any material change in licensing information, or any change in circumstance that is relevant to a licensee's suitability.³ Accordingly, the MGCB expects any licensee that is actively pursuing any involvement in the offering of sporting event contracts will provide prompt notice to the MGCB.

³ See Mich. Admin. Code Rules 432.1206(2); 432.1313(4); 432.1324(2)(i); 432.528(6)(a); 432.528a; 432.628(6)(a); & 432.728(6)(a).