



OHIO CASINO CONTROL COMMISSION

Sports Gaming Rules – Batch 5, Comment Round 1

Supplemental Type A and B Proprietor Licensing, Required Procedures, and General Proprietor Duties

Comment Period: March 7, 2022 – March 18, 2022.

Please note that the comment period closes at 5:00 PM on March 18, 2022. All comments must be submitted to rulecomments@casinocontrol.ohio.gov before the cut-off date and time to be considered.



Ohio Casino Control Commission
Sports Gaming Rules – Batch 5, Comment Round 1

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* All rule numbers and titles are tentative.

Rule 3775-1-01 | Definitions.

- (A) The words and terms defined in section 3775.01 of the Revised Code are used in this agency as they are defined in that section, unless otherwise specified.
- (B) As used in Chapter 3775. of the Revised Code and rules adopted thereunder, the following words have the following meanings, unless the context clearly indicates otherwise:
- (1) “Advertisement” means a notice, announcement, or communication to the public, or any specific member(s) thereof, designed to solicit or entice a person to participate in the sports gaming offerings of a sports gaming proprietor through broadcasting, publication, or any other means of dissemination.
 - (2) “Affiliate marketer” means a person who conducts a promotion, marketing, or user recruitment for a sports gaming proprietor in this state either:
 - (a) Through a website or mobile application; or
 - (b) In exchange for a commission or variable fee based upon the number of users recruited, wagering activity generated, revenue generated, or any other metric.
 - (3) “Application” means the total written materials, including the instructions, forms, and other documents issued by the commission, comprising an applicant’s request for a license.
 - (4) “Appointing professional sports organization” means a professional sports organization that is a member of a league, association, or organization that prevents the professional sports organization from being subject to the regulatory control of the Ohio casino control commission or from otherwise operating under a sports gaming proprietor license.
 - (5) “Beneficial and proprietary interest” means a direct or indirect interest of five per cent or more.
 - (6) "Conduct" means to back, promote, organize, manage, carry on, sponsor, or prepare for the operation of sports gaming in this state and includes participating in the conduct at issue.
 - (7) “License” or “plenary license” means the complete and approved document issued by the commission that indicates that an applicant has been chosen for licensure and has met all requirements set forth in Chapter 3775. of the Revised Code and the rules adopted thereunder.
 - (8) "Licensee" means any person who holds a valid plenary or provisional license.
 - (9) "Person" has the same meaning as in section 3772.01 of the Revised Code.

- (10) “Person in control” means any person meeting division (C) of sections 3775.03 of the Revised Code but does not include persons in control of an appointing professional sports organization.
- (11) “Provisional license” means a complete and approved document issued by the Commission that indicates an applicant has been chosen for temporary licensure in accordance with Section 4 of Amended House Bill 29 of the 134th General Assembly.
- (12) “Sports gaming employee” means any individual required to obtain a sports gaming occupational license under Chapter 3775. of the Revised Code and the rules adopted thereunder.
- (13) “Sports gaming equipment” has the same meaning in division (P) of section 3775.01 of the Revised Code, but does not include any device, software, or component that does not affect the operational integrity of sports gaming, as determined by the executive director.
- (14) “Sports gaming proprietor” has the same meaning as in division (T) of section 3775.01 of the Revised Code and includes “mobile management services provider” and “management services provider” to the extent any sports gaming proprietor has contracted its rights, duties, and liabilities to the mobile management services provider or management services provider under division (E) of sections 3775.05 and 3775.051 of the Revised Code.
- (15) “Sports gaming system” means:
- (a) The sports gaming equipment necessary to allow a participant to place, review, or modify wagers, as allowed by the sports gaming proprietor, as well as be paid for winning wagers; and
 - (b) The sports gaming equipment the proprietor uses to review, manage, and report information related to user accounts, wager placement, or wager outcome. This does not include the equipment or communications technology simply used to access the sports gaming system or the intermediary software that connects the user to their financial institution; and
 - (c) Any other sports gaming equipment that the executive director determines is related to the sports gaming system.
- (16) “Suspicious sports gaming activity” means unusual sports gaming activity that cannot be explained and is indicative of any of the following: match fixing, the manipulation of a sport, misuse of inside information, a potential breach of a sports governing body’s internal rules or code of conduct pertaining to sports gaming, any other conduct that corrupts the outcome of a sport, and any other prohibited activity.
- (17) “Unusual sports gaming activity” means an abnormal betting or wagering activity or pattern exhibited by a patron or patrons. This activity or pattern may include abnormal

wager amounts or changes to wager volume based upon expected wager amount, sport type, or wager type.

***Please note that the Commission will continue to update this rule as more definitions become necessary. This rule will be provided with all rule batches submitted for stakeholder review and will be updated accordingly.

Rule 3775-4-02.1 | Additional type A sports gaming proprietor licenses.

- (A) Except as otherwise provided in paragraph (B) of this rule, the commission must not license more than twenty five type A sports gaming proprietors at any one time.
- (B) Once twenty five type A sports gaming proprietors are licensed in this state, the commission may, in its sole discretion, issue additional type A sports gaming proprietor licenses only if the potential applicant(s) can demonstrate that:
- (1) There is a substantial, considerable, and ongoing need for additional type A sports gaming proprietors evidenced by quantifiable sports gaming market data gathered in this state consisting of:
 - (i) Market share analyses;
 - (ii) Reports performed by a qualified third party on the projected amount of additional contributions to economic development, taxable revenue, and job creation that will be generated resulting in a further substantial benefit to this state; and
 - (iii) Any other information so requested by the commission to aid in its determination; and
 - (2) They meet all requirements for licensure under Chapter 3775. of the Revised Code and the rules adopted thereunder.

Rule 3775-4-03.1 | County population exception for type B sports gaming proprietor license.

- (A) Except as otherwise provided in paragraph (B) of this rule, the commission must not license a type B sports gaming proprietor with a sports gaming facility located in a county with a population of less than one hundred thousand, as determined by the 2010 federal decennial census.
- (B) If a type B sports gaming proprietor has a sports gaming facility located in a county with a population of fifty thousand or more but less than one hundred thousand, as determined by the 2010 federal decennial census, the commission may issue a type B sports gaming proprietor license if:
- (1) The type B sports gaming proprietor obtains and submits information from the department of development attesting that the county where the proposed or current sports gaming facility is located received at least five million visitors for purposes of tourism during the most recent calendar year; and
 - (2) They meet all requirements for licensure under Chapter 3775. of the Revised Code and the rules adopted thereunder.

Rule 3775-10-02 | Required procedures.

- (A) Type A and type B proprietors must have procedures for the applicable processes required by Chapter 3775. of the Revised Code and the rules adopted thereunder that must be designed to protect the integrity of sports gaming. These procedures must be documented and maintained by the proprietor in a form prescribed by the executive director.
- (B) The current version of the proprietor's required procedures must always be on file or otherwise immediately available to the commission.
- (C) A proprietor must submit its required procedures to the commission in a manner and form required by the executive director and receive approval from the executive director prior to offering sports gaming.
- (D) Any proposed changes to the required procedures must be approved by the executive director prior to implementation. If the proprietor has not received a response from the executive director regarding the proposed changes within five business days, the changes will be deemed approved.
- (E) The executive director may, at any time, require a change to the required procedures in order to ensure compliance with Chapter 3775. of the Revised Code and the rules adopted thereunder.

Rule 3775-16-01 | Sports gaming systems.

- (A) Sports gaming proprietors must use a sports gaming system approved by the commission. No wagers may be accepted in the event of a system failure or unavailability.
- (B) Sports gaming proprietors must use a sports gaming system designed to prevent and detect the following:
 - (1) Unauthorized use of an account by someone other than the account holder;
 - (2) Unauthorized withdrawals from patron accounts;
 - (3) Wagering by persons under the age of twenty-one;
 - (4) Wagering by members of the involuntary or voluntary exclusion lists; and
 - (5) Wagering by other prohibited persons.
- (C) Sports gaming proprietors must have procedures governing its sports gaming system. The procedures must include:
 - (1) A description of, and the inter-relationships and dependencies of, the sports gaming system, hardware, software, and all integrated supplier modules;
 - (2) A description of physical and logical security of the sports gaming servers;
 - (3) How it will respond to a failure of the sports gaming system;
 - (4) Risk management procedures;
 - (5) Change management procedures;
 - (6) Procedures for complying with the data match requirements of sections 3123.90 and 3775.16 of the Revised Code; and
 - (7) Procedures for the prevention and detection of attempts to launder currency.
- (D) Each sports gaming proprietor must provide read-only remote access to its sports gaming systems and any hardware or software required to facilitate this access to the commission in a manner prescribed by the executive director. All costs associated with providing this access are the sole responsibility of the sports gaming proprietor.
- (E) Each sports gaming proprietor must test the recovery procedures of the sports gaming system on a sample basis at least annually. The results must be documented and available to the commission upon request.

Rule 3775-16-03 | Sports gaming accounts.

(A) Each sports gaming proprietor must have procedures for ensuring sports gaming accounts comply with this rule and any other requirements of Chapter 3775. of the Revised Code and the rules adopted thereunder.

(B) A patron's sports gaming account may be funded through the use of:

- (1) Deposit of cash or vouchers at an approved cashiering or kiosk location;
- (2) Credit or debit card;
- (3) Promotional credit;
- (4) Winnings;
- (5) Corrections made by the sports gaming proprietor with documented notification to the patron;
- (6) ACH transfer;
- (7) Wire transfer; or
- (8) Any other means approved by the executive director.

(C) The sports gaming account must include the following information for each patron, and the sports gaming proprietor must update this information each time it becomes aware of changes.

- (1) Full legal name;
- (2) Date of birth;
- (3) Primary Address;
- (4) Telephone Number;
- (5) Electronic mail address;
- (6) Sports gaming account number or username;
- (7) Taxpayer identification number;
- (8) Type of government-issued identification examined, if obtained pursuant to paragraph (D) of this rule, and the identification number;

- (9) A scanned image of the government-issued identification, if obtained pursuant to paragraph (D) of this rule;
 - (10) The method and any other information used to verify the patron's identify;
 - (11) The date of identify verification; and
 - (12) A history of the wagers placed.
- (D) A sports gaming proprietor must verify and document the identity of each patron upon creating a patron sports gaming account. Verifying and documenting the patron's identity must include:
- (1) Examining and subjecting the patron's government issued identification to verification software designed to confirm the authenticity of the identification; or
 - (2) Methodology for multi-source authentication, which may include third party and governmental databases, as approved by the executive director.
- (E) Each sports gaming proprietor must take commercially reasonable steps to ensure an individual who falls into a category of a prohibited person under section 3775.13 of the Revised Code is not permitted to create a sports gaming account, or permitted to continue to make wagers once they become prohibited, for as long as that status applies.
- (F) Each sports gaming proprietor must periodically re-verify a patron's identification at an interval approved by the executive director and upon reasonable suspicion that the patron's identification or account has been compromised.
- (G) Upon account registration the following actions must take place:
- (1) The patron must certify to the sports gaming proprietor that that the information provided to the sports gaming proprietor is accurate and they are not an excluded or otherwise prohibited sports gaming participant. The sports gaming proprietor must document this certification;
 - (2) The patron must acknowledge that the legal age for sports betting is twenty-one years of age, and that they are prohibited from allowing any other person to access or use their sports betting account. The sports gaming proprietor must document this acknowledgment;
 - (3) The patron must be notified of available responsible gaming resources; and
 - (4) Notification of the establishment of a sports gaming account must be provided to the patron via electronic mail or regular mail.
- (H) Patrons must be provided with an easy and obvious method, immediately upon initial account registration and at all times through the sports gaming proprietor's website or application, to

impose limitations for betting parameters including, but not limited to, deposits, wagers, and time-based limitations. The self-imposed limitation method must provide the following functionality:

- (1) Upon receiving any self-imposed limitation request, the sports gaming proprietor must ensure that all specified limits are correctly implemented immediately or at the point in time that was clearly indicated by the patron;
 - (2) The self-imposed limitations set by a patron must not override more restrictive sports gaming proprietor-imposed limitations. The more restrictive limitations must take priority;
 - (3) Once established by a patron and implemented by the sports gaming system, it must only be possible to reduce the severity of self-imposed limitations upon the expiration of the self-imposed period; and
 - (4) An option must be available for patrons to set automatically renewing self-imposed limits.
- (I) Patrons must have access to, through the sports gaming proprietor's website or application, a statement of all patron activity during the past five years.
- (J) Access to patron accounts must be protected by multi-factor authentication as approved by the executive director.
- (K) Sports gaming proprietors must not permit a patron to transfer funds from a patron account to another patron account.
- (L) Sports gaming proprietors must have procedures to review all adjustments to patron accounts for amounts of \$500.00 or less. All other adjustments must be authorized by supervisory personnel prior to being entered.
- (M) A patron must be allowed to withdraw the funds maintained in his or her account, whether such account is open or closed, within five business days of the request, unless the sports gaming proprietor believes in good faith that the patron engaged in either fraudulent conduct or other conduct that would put the sports gaming proprietor in violation of the law. In such cases, the sports gaming proprietor must:
- (1) Provide notice to the patron of the nature of the investigation of the account; and
 - (2) Conduct its investigation in a reasonable and expedient fashion, providing the patron additional written notice of the status of the investigation every tenth business day starting from the day the original notice was provided to the patron.
- (N) A request for withdrawal will be considered honored if it is processed by the sports gaming proprietor notwithstanding a delay by a payment processor, credit card issuer, or the

custodian of a financial account.

- (O) Patrons must have access to a readily accessible method for closing a patron account through the sports gaming proprietor's website or application or upon contact to the proprietor's customer service team. Any balance remaining in a patron's sports gaming account closed by a patron must be refunded according to the account withdrawal requirements of this rule.

Rule 3775-16-04 | Wager rules.

- (A) Sports gaming wagers must only be accepted from a verified patron account unless otherwise permitted under Chapter 3775. of the Revised Code and the rules adopted thereunder.
- (B) A sports gaming wager must not be knowingly accepted from a person who is placing the wager for the benefit of another or is placing the sports wager in violation of state or federal law.
- (C) A sports gaming wager must not be accepted on events for which the outcome has already been determined.
- (D) The sports gaming proprietor may, but need not, cancel an accepted wager for obvious error as defined in the proprietor's house rules. If a wager is cancelled for obvious error, the sports gaming proprietor must clearly convey the reason for cancellation to the patron.
- (E) Except for obvious error or as otherwise required under Chapter 3775. of the Revised Code and the rules adopted thereunder, the sports gaming proprietor must not unilaterally cancel any wager without prior written approval of the executive director.
- (F) If a patron wishes to void a ticket written prior to the start of an event, and the void request is approved by the sports gaming proprietor, the ticket must be verified by the sports wagering system and a refund must be given to the patron. For printed tickets, a void designation must be branded on the ticket.
- (G) Upon verification by the sports gaming proprietor, winnings from patron account wagers must be immediately deposited into the patron account.
- (H) Winnings from anonymous wagers must be immediately payable to the patron upon validation of the ticket by the sports gaming system and verification by the sport gaming proprietor.
- (I) For type B sports gaming proprietors, in the case of a sports gaming system or power failure, tickets may be manually paid. All manually paid tickets must be marked as "paid" and entered into the sports gaming system as soon as possible to verify the accuracy of the payout. All manually paid tickets must be reviewed as part of the daily audit process. A log for all manually paid tickets must be maintained and include:
 - (1) The unique transaction identified;
 - (2) Date and time;
 - (3) Amount of the payout; and
 - (4) Employee name.

Rule 3775-16-05 | Tickets.

- (A) Upon completion of a sports gaming wager, the patron must receive an unalterable virtual or printed wager record from the sports gaming system which must contain, at a minimum, the following information:
- (1) Sports gaming proprietor name;
 - (2) The date and time the wager was placed;
 - (3) The date and time the event is expected to occur;
 - (4) Any patron choices involved in the wager, including:
 - (a) Wager selection;
 - (b) Type of wager and line postings;
 - (c) Any special condition(s) applying to the wager; and
 - (d) Pay out, applicable at the time the wager is placed;
 - (5) Total amount wagered, including any promotional credits, if applicable;
 - (6) Sporting event identifier;
 - (7) Unique identification number of the wager record;
 - (8) Expiration period;
 - (9) A problem gambling message compliant with paragraph (A)(3) of rule 3772-16-07 of the Administrative Code; and
 - (10) The unique sports gaming device ID that issued the wager record, if applicable.
- (B) As required under Chapter 3775. of the Revised Code, all winning sports gaming tickets expire one year from the last day on which the relevant sporting event is held. Each sports gaming proprietor must, on the last business day of each month, pay the winnings from all tickets which have expired to the commission, which will deposit them into the sports gaming revenue fund.
- (C) Unless otherwise approved by the executive director, all payments must be in the form of an electronic funds transfer payable to the treasurer of the state of Ohio.

- (D) The sports gaming proprietor must notify the commission of payments made for expired sports gaming tickets and provide supporting information for the payments in the format prescribed by the executive director.

Rule 3775-16-06 | Reserve funds

- (A) Each sports gaming proprietor must always maintain a reserve in an amount that is greater than the amount necessary to ensure the sports gaming proprietor's ability to cover the sum of all outstanding sports gaming liabilities and the funds held for patron accounts.
- (B) Reserve funds must be held separate from operational funds in a manner approved by the commission. Any changes to the manner in which reserve funds are segregated from corporate or business funds must be approved by the executive director.
- (C) The reserve funds must be held in the form of cash, cash equivalents, payment processor reserves, payment processor receivables, an irrevocable letter of credit, a bond, or a combination thereof in a manner that the reserve funds are not accessible to the creditors of the sports gaming proprietor, other than the patrons whose benefit the reserve is established.

Rule 3775-16-07 | Tournaments.

- (A) Sports gaming proprietors may conduct sports gaming tournaments. Only sporting events and wager types listed as approved in the commission's catalogue are authorized for use in a tournament.
- (B) Sports gaming proprietors must maintain and make the tournament rules available to all tournament patrons prior to the beginning of the tournament.
- (C) The tournament rules and procedures must include but are not limited to:
 - (1) Qualification or selection criteria that limit the eligibility of tournament patrons;
 - (2) Regulations of the tournament (e.g., beginning and ending times, number of events, entry fee, elimination factors, cash handling procedures, etc.); and
 - (3) Prizes to be awarded.

Rule 3775-16-08 | Advertising.

(A) All sports gaming advertisements must:

- (1) Clearly convey the conditions under which sports gaming is being offered, including information about the cost to participate and the nature of any promotions and information to assist patrons in understanding the odds of winning. Any material conditions or limiting factors must be clearly and conspicuously specified. If an advertisement is not of sufficient size or duration to permit inclusion of such information, that advertisement shall refer to a website or application that does prominently include such information within one click;
- (2) Disclose the identity of the sports gaming proprietor, mobile management services provider, or management services provider, as applicable; and
- (3) Clearly and conspicuously include messages designed to prevent problem gambling and provide information about how to access resources related to problem gambling, including one of the following:
 - (a) The national council on problem gambling's twenty-four hour confidential helpline;
 - (b) The problem gambling helpline number established under section 3772.062 of the Revised Code; or
 - (c) Another helpline approved by the executive director that is free of charge to the caller.

(B) All sports gaming advertisements must not:

- (1) Depict any individual under the age of twenty-one;
- (2) Target individuals under the age of twenty-one, other individuals who are ineligible to participate in sports gaming, individuals with gambling problems, or other vulnerable individuals;
- (3) Obscure any material fact;
- (4) Be false, deceptive, or misleading; or
- (5) Promote irresponsible or excessive participation in sports gaming, or suggest that social, financial, or personal success is guaranteed by engaging in sports gaming.

(C) Each advertisement, disseminated to a specific individual or individuals, must clearly and conspicuously describe a method by which an individual may opt out of receiving future advertisements. If the advertisement is sent via electronic mail, the described opt out method must include either electronic mail or a linked online website. All other advertisements must

include at least one of the following methods to opt out:

- (1) Telephone;
- (2) Regular U.S. mail;
- (3) Online website or mobile application; or
- (4) Electronic mail.

- (D) A sports gaming proprietor must act upon a request for opt out pursuant to paragraph (C) of this rule within fifteen days of receipt to ensure the individual will no longer receive advertisements.
- (E) A sports gaming proprietor must not advertise or promote on:
- (1) Ohio college or university campuses; or
 - (2) On the official jersey, uniform, or apparel of any person or team competing in sporting events in Ohio or made available for sale to the public in Ohio.
- (F) A sports gaming proprietor must cease the dissemination of an advertisement upon discovery that the advertisement fails to continue to comply with this rule or if required by the executive director because the advertisement fails to comply with chapter 3775 of the Revised Code, or the rules adopted thereunder, or otherwise undermines the integrity of sports gaming.
- (G) Sports gaming advertisements can only be disseminated in Ohio for sports gaming proprietor applicants or licensees, unless otherwise approved by the executive director.
- (H) Affiliate marketers must comply with all aspects of this rule and must not otherwise advertise forms of illegal gambling or gaming in Ohio. The commission may require a sports gaming proprietor to terminate an affiliate marketer contract if the affiliate marketer has violated Chapter 3775. of the Revised Code or the rules adopted thereunder.

Rule 3775-16-09 | Promotions and bonuses.

- (A) Sports gaming proprietors may offer promotions and bonuses.
- (B) The promotion or bonus rules must be clear and unambiguous, and include:
 - (1) Date and time the promotion or bonus is active and expires;
 - (2) Rules of play;
 - (3) Nature and value of prizes or awards;
 - (4) Eligibility restrictions or limitations;
 - (5) Wagering and redemption requirements, including any limitations;
 - (6) Eligible events or wagers;
 - (7) Cancellation requirements; and
 - (8) Terms and conditions that are full, accurate, concise, transparent, and do not contain misleading information.
- (C) Promotions or bonuses described as free must not require the patron to incur any loss or risk their own money to use or withdraw winnings from the free wager.
- (D) Promotions or bonuses must not restrict the patron from withdrawing their own funds or withdrawing winnings from wagers placed using their own funds.
- (E) Sports gaming proprietors must make the promotion or bonus rules available to patrons and the commission.
- (F) Sports gaming proprietors must have procedures for the issuance, acceptance, and tracking of promotions or bonuses.
- (G) A sports gaming proprietor must cease the offering of a promotion or bonus upon discovery that the promotion or bonus fails to comply with this rule or if required by the executive director because the promotion or bonus fails to comply with Chapter 3775. of the Revised Code or the rules adopted thereunder or otherwise undermines the integrity of sports gaming.

Rule 3775-16-11 | Sports gaming event and wager type requests.

- (A) A sports gaming proprietor must check the list of pending and denied requests before submitting a request for an addition to the sports gaming catalogue.
- (B) A sports gaming proprietor must not submit a request for the addition of any item that has been previously submitted and is currently in pending status.
- (C) A sports gaming proprietor may not request the addition of any previously denied sports gaming event or wager type for a period of one year following the date of denial.

Rule 3775-16-12 | Sports governing body prohibited persons – information sharing.

As enumerated in division (F) of section 3775.13 of the Revised Code:

- (A) A sports gaming proprietor must employ commercially reasonable methods to prevent any person involved in a sporting event with respect to which sports gaming is permitted from engaging in any sports gaming with the sports gaming proprietor, based on publicly available information and any information garnered under paragraph (B) of this rule.
- (B) A sports governing body must have a procedure for providing to the commission a list of persons who are involved in sporting events, including those persons' full legal names, dates of birth, and social security numbers, for the purpose of preventing those persons from engaging in sports gaming. The commission will make the list available to each sports gaming proprietor and to the state lottery commission. The Ohio casino control commission, the state lottery commission, and each sports gaming proprietor must keep the information in the list confidential.
- (C) The executive director must approve the procedure in paragraph (B) of this rule and must ensure that any procedure adequately protects the personally identifiable information of the persons involved in sporting events.

Rule 3775-16-13 | Sports governing body data requests.

- (A) A sports governing body may request anonymized sports gaming data from a sports gaming proprietor if the sports governing body believes that the integrity of one of its sporting events is in question. This request must be appropriately tailored and must include:
- (1) The name of the sports governing body;
 - (2) The contact information of an individual who the sports gaming proprietor or commission may contact if additional information is needed;
 - (3) The particular sporting event or events at issue;
 - (4) The data requested, including the specific data types or fields;
 - (5) A brief description of the reason for the sports governing body's belief and how the data requested will be of assistance;
 - (6) Procedures for how the sports governing body will protect the confidentiality of the data; and
 - (7) Any other information that may be requested on a specified form.
- (B) Data provided under this rule must be anonymized and free of any patron personal information.
- (C) Upon receipt of a valid request for data, a sports gaming proprietor must promptly provide the requested data. If the sports governing body and the sports gaming proprietor cannot come to an agreement on whether the request is valid, the request must be sent to the commission for review. The executive director will determine if the request is valid and will notify the sports governing body and sports gaming proprietor of this decision. If the executive director determines that the request is valid the sports gaming proprietor must promptly provide the requested data.
- (D) Any information or data provided by a sports governing body or a sports gaming proprietor pursuant to this rule is confidential and is not to be shared or used for any reason or purpose not contained here, except as otherwise required by law or order of the commission, or pursuant to an agreement between a sports governing body and a sports gaming proprietor.

Rule 3775-16-14 | State university data requests.

- (A) A state university, as defined in section 3345.011 of the Revised Code, may submit a request to receive anonymized data from a sports gaming proprietor. Valid requests must clearly fulfill one of the following purposes and must be appropriately tailored for the stated purpose:
- (1) To assist the commission, at the request of the executive director, in ensuring the integrity of sports gaming; or
 - (2) To improve state-funded services related to responsible gambling and problem gambling.
- (B) The state university's request must include the following information:
- (1) The name of the state university;
 - (2) The contact information of an individual who the sports gaming proprietor or commission may contact if additional information is needed;
 - (3) The data requested including the specific data types or fields;
 - (4) The research purpose of the request, including a specific description of how the data will be used to meet a permitted purpose under paragraph (A);
 - (5) Who, if anyone, the data may be shared with outside of the university;
 - (6) Procedures for how the university will protect the confidentiality of the data; and
 - (7) Any other information required by the executive director.
- (C) Data provided under this rule must be anonymized and free of any patron personal information.
- (D) Upon receipt of a valid request for data, a sports gaming proprietor must promptly provide the requested data to the state university. If the state university and the sports gaming proprietor cannot come to an agreement on if the request is valid, the request must be sent to the commission for review. The executive director will determine if the request is valid and will notify the state university and sports gaming proprietor of this decision. If the executive director determines that the request is valid the sports gaming proprietor must promptly provide the requested data.
- (E) Any information or data provided by a sports gaming proprietor to a state university may not be used or shared, except as provided in division (B)(13) of section 3775.02 of the Revised Code.

Rule 3775-16-15 | Information technology.

- (A) Sports gaming proprietors must maintain an information technology department that is responsible for the quality, reliability, and accuracy of all electronic systems used in the operation.
- (B) Each sports gaming proprietor must maintain IT security insurance as approved by the executive director.
- (C) Sports gaming proprietors must ensure that duties in the information technology department are adequately segregated and monitored to detect procedural errors, unauthorized access to financial transactions and assets, and to prevent the concealment of fraud.
- (D) The information technology environment and infrastructure must be maintained in a secured physical location that is restricted to authorized employees.
- (E) Sports gaming proprietors must adopt procedures for responding to, monitoring, investigating, resolving, documenting, and reporting security incidents associated with information technology systems.

Rule 3775-16-16 | Security and safety of confidential information.

- (A) Sports gaming proprietors must maintain and make available to patrons a privacy policy governing its use and storage of patron confidential information.
- (B) Sports gaming proprietors must ensure compliance with applicable state and federal requirements and industry standards for protecting the privacy and security of sports gaming patrons and their accounts.

Rule 3775-16-17 | Incident Reporting

- (A) Sports gaming proprietors must immediately report to the commission in a manner prescribed by the executive director, any information in the sports gaming proprietor's possession related to any of the following:
- (1) Any wager in violation of Chapter 3775. of the Revised Code or the rules adopted thereunder or of federal law;
 - (2) Any conduct that corrupts a betting outcome of a sporting event for purposes of financial gain;
 - (3) Any IT security breach or other compromising IT risk;
 - (4) Any breaches of confidentiality of a patron's personal information;
 - (5) Any physical security breach or other compromising risk to patrons, employees, or the commission; and
 - (6) Any other incident type required by the executive director.
- (B) Sports gaming proprietors must have procedures to prevent, detect, and report to the commission attempts to launder money through any of its Ohio licensed sports gaming offerings.

Rule 3775-16-18 | Accounting and revenue audit.

- (A) Each sports gaming proprietor must have procedures and systems for the preparation, use, and maintenance of complete, accurate, and legible accounting and gaming records, which must include all transactions.
- (B) All books, forms, records, documents, and stored data must have the name of the entity, date of completion, and the title of the book, form, record, document, or stored data.
- (C) General accounting records must be maintained on a double-entry system of accounting with transactions recorded on a basis consistent with generally accepted accounting principles.
- (D) Each sports gaming proprietor must comply with Chapter 5753. of the Revised Code and with any requests of the tax commissioner.
- (E) Each sports gaming proprietor must have documented revenue audit procedures. Documentation must be maintained evidencing the performance of all revenue audit procedures, any exceptions noted, and follow-up of all exceptions. The executive director will prescribe the method of documentation and may require additions or modifications to revenue audit procedures.

Rule 3775-16-19 | Internal audit.

- (A) Sports gaming proprietors must maintain one of the following to annually assess compliance with sports gaming law:
- (1) A separate internal audit department which is independent of the sports gaming operation; or
 - (2) A contracted third party independent registered certified public accounting firm licensed to practice in this state, whose name and lead audit partner or other person responsible for the engagement are reported to the commission before the start of the engagement.
- (B) The internal audit department or contracted third party must audit the sports gaming proprietor's compliance with Chapter 3775. of the Revised Code and the rules adopted thereunder, the house rules, required procedures, and any other applicable rules and regulations, as required by the executive director.
- (C) The internal audit department or contracted third party must follow the standards, conventions, and rules governing audits in the United States.
- (D) The audit satisfying the requirements of this rule must be performed at least annually with the results documented in an audit report that must be provided to the commission.
- (E) Documentation must be maintained to evidence all work performed as it relates to the requirements of this rule, including all instances of noncompliance.
- (F) Follow-up observations and examinations must be performed to verify that corrective action has been taken regarding all instances of noncompliance. The verification must be performed within six months following the date of notification.
- (G) The commission may require the termination of any audit engagement under this rule due to lack of qualification, independence, or capacity or a finding that the contract or conduct performed thereunder poses a material risk to the integrity of sports gaming in this state. The invalidation process is an action against the sports gaming proprietor that is subject to the hearing procedures and disciplinary actions provided for under rules 3772-1-07 and 3772-1-08 of the Administrative Code, respectively. If an audit engagement contract is terminated, the sports gaming proprietor must enter into a new audit engagement contract to ensure the requirements of this rule are met.

Rule 3775-16-20 | External audits and other reports.

- (A) Each sports gaming proprietor, excluding an appointing professional sports organization; mobile management services provider; and management services provider must have its annual financial statements audited by an independent registered certified public accounting firm licensed to practice in this state. The audit must be in accordance with generally accepted auditing standards and, when applicable, the standards of the accountancy board. The sports gaming proprietor, mobile management services provider, or management services provider must report to the commission the name of the independent registered certified public accounting firm as well as the lead audit partner or other individual taking primary responsibility for the financial statement audit engagement before the start of the engagement.
- (B) The lead audit partner or other individual taking primary responsibility for the financial statement audit engagement may serve a maximum of five years in such a position before being required to rotate off the engagement.
- (C) The annual financial statements audit must be prepared on a comparative basis for the current and prior fiscal years and present financial position and results of operations in conformity with generally accepted accounting principles.
- (D) The audit must include any additional specific reports required by the executive director.
- (E) The audit and any reports, as required by paragraphs (A) and (D) of this rule, must be filed with the commission, in a format determined by the executive director, within one hundred twenty days following the end of the fiscal year.
- (F) Each sports gaming proprietor must contract with an independent third party to perform an IT audit. The third party must be approved by the executive director as qualified, independent, and capable of performing the audit. The audits must be performed, and a copy of the report provided to the commission, at least once each year. The audits and corresponding report must assess the following:
 - (1) The design, controls, maintenance, and security of the sports gaming proprietor's IT systems;
 - (2) The sports gaming proprietor's compliance with the IT requirements of this chapter; and
 - (3) Any other subject required by the executive director.
- (G) The sports gaming proprietor must file with the commission the report required by paragraph (F) of this rule in a format determined by the executive director within one hundred twenty days following the end of the fiscal year or upon receipt, whichever is earlier.
- (H) At any time, the executive director may require a special audit of a sports gaming proprietor, mobile management services provider, or management services provider by commission personnel, an independent registered certified public accounting firm, or any other third party

the executive director approves as qualified, independent, and capable of performing the special audit. The scope, procedures, and reporting requirements of any special audit are to be established by the executive director.

- (I) The sports gaming proprietor, mobile management services provider, or management services provider must notify the commission of any report that is filed, or required to be filed, with the securities and exchange commission or other securities regulatory agency.
- (J) All audits and reports required by this rule are to be prepared at the sole expense of the sports gaming proprietor, mobile management services provider, or management services provider.
- (K) The commission may require the termination of any audit engagement under this rule due to lack of qualification, independence, or capacity or a finding that the contract or conduct performed thereunder poses a material risk to the integrity of sports gaming in this state. The invalidation process is an action against the sports gaming proprietor, mobile management services provider, or management services provider that is subject to the hearing procedures and disciplinary actions provided for under rules 3775-1-07 and 3775-1-08 of the Administrative Code, respectively. If an audit engagement contract is terminated, the sports gaming proprietor, mobile management services provider, or management services provider must enter into a new audit engagement contract to ensure the requirements of this rule are met.
- (L) Each sports gaming proprietor, mobile management services provider, or management services provider must file with the commission a copy of any suspicious activity report filed with the Internal Revenue Service related to the conduct of sports gaming in this state.

Rule 3775-16-21 | Patron complaints.

- (A) Whenever a sports gaming proprietor refuses payment of alleged winnings to a patron or there is otherwise a dispute with a patron regarding their patron account, wagers, wins, or losses from sports gaming, and the sports gaming proprietor and the patron are unable to resolve the dispute to the satisfaction of the patron, the sports gaming proprietor must notify the patron of their right to file a written complaint. The notice must include the procedure for filing a written complaint and the sports gaming proprietor's complaint resolution process.
- (B) Upon receipt of a written complaint, the sports gaming proprietor must investigate and provide a written response to the patron within ten days.