



# OHIO CASINO CONTROL COMMISSION

## 1<sup>st</sup> Round Sports Gaming Rules

Batch 2 – Licensing (General, Type A and B Proprietor, and Services Providers), General Wagering Provisions, and Equipment

Comment Period: January 24, 2022 – February 4, 2022.

Please note that the comment period closes at 5:00 PM on February 4, 2022. All comments must be submitted to [rulecomments@casinocontrol.ohio.gov](mailto:rulecomments@casinocontrol.ohio.gov) before the cut-off date and time to be considered.



**Ohio Casino Control Commission  
1<sup>st</sup> Round Sports Gaming Rules Batch 2**

<b>Rule Number</b>	<b>Rule Title</b>	<b>Page Number</b>
<b>General Provisions</b>		
3772:1-1-01	Definitions	3
<b>Licensing</b>		
3772:1-4-01	General licensing requirements	4
3772:1-4-02	Type A sports gaming proprietor licensure	8
3772:1-4-03	Type B sports gaming proprietor licensure	11
3772:1-4-05	Mobile management services provider licensure	14
3772:1-4-06	Management services provider licensure	17
<b>Equipment</b>		
3772:1-9-01	Sports gaming approval and testing (and appendix)	20
3772:1-9-02	Sports gaming systems	22
3772:1-9-03	Sports gaming system change management	23
3772:1-9-04	Location-based technology providers	25
<b>General wagering provisions</b>		
3772:1-11-01	Sporting events and wager types	26

\* All rule numbers and titles are tentative.

### **Rule 3772:1-1-01 | Definitions.**

- (A) The words and terms defined in section 3775.01 of the Revised Code are used in this division 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) “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.
  - (2) "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.
  - (3) “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.
  - (4) "Licensee" means any person who holds a valid plenary or provisional license.
  - (5) "Person" has the same meaning as in section 3772.01 of the Revised Code.
  - (6) “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 134<sup>th</sup> General Assembly.
  - (7) “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.
  - (8) “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.
  - (9) “Suspicious betting activity or pattern” means unusual betting activity or pattern that cannot be explained and is indicative of any conduct that corrupts the outcome of an event or any other prohibited activity.

\*\*\*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 3772:1-4-01 | General licensing requirements.**

- (A) No sports gaming proprietor, mobile management services provider, management services provider, sports gaming supplier, sports gaming employee, or type C sports gaming host may operate, conduct, or assist in operating or conducting sports gaming in this state without first obtaining an appropriate sports gaming license from the commission.
- (B) Before the commission grants a sports gaming proprietor, mobile management services provider, management services provider, or sports gaming supplier license, it must first determine that each person who has control of the entity has met the qualifications for licensure outlined in paragraph (E) of this rule. Persons considered to have control of an applicant are defined in division (C) of section 3775.03 of the Revised Code.
- (C) Except for type C sports gaming hosts, each person applying for an initial or renewal sports gaming license, including each individual who has control of those applicants, must submit two complete sets of fingerprints to the commission for the purpose of conducting a criminal records check pursuant to divisions (A) and (C) of section 109.572 of the Revised Code. An applicant convicted of any disqualifying offense, as defined and prohibited by sections 3772.07 and 3772.10 of the Revised Code, and as determined under section 9.79 of the Revised Code, will not be issued a license.
- (D) An applicant, other than a type C sports gaming host, must pay the fees associated with completing the required criminal records check described in paragraph (C) of this rule. An applicant that employs a sports gaming employee applicant must pay these fees on the sports gaming employee applicant's behalf.
- (E) Except for a professional sports organization who has appropriately appointed a designee operator, the commission may grant a sports gaming proprietor, mobile management services provider, management services provider, or sports gaming supplier license to an applicant once it has determined that each person who has control of an applicant has:
  - (1) Submitted any forms, documents, or information the commission requires;
  - (2) Submitted two sets of fingerprints; and
  - (3) Otherwise been found eligible, qualified, and suitable as determined by the executive director.
- (F) The commission must conduct a complete investigation of each applicant for a sports gaming license each time the applicant applies for an initial or renewal sports gaming license.
- (G) The commission may reopen a licensing investigation or adjudication at any time.
- (H) When reviewing an applicant for sports gaming licensure, the commission may rely on or consider the last investigation conducted into, or license issued to, the applicant under Chapters 3770. and 3772. of the Revised Code.

- (I) All sports gaming applicants and licensees, except for type C gaming hosts and professional sports organizations appointing a designee operator, must update the commission, in writing, within ten days of any material change to any information provided in an initial or renewal sports gaming license application, to include the following:
- (1) Change of name;
  - (2) Change of home or business address;
  - (3) Change of primary telephone number or electronic mail address;
  - (4) Change to the state of incorporation or principal place of business;
  - (5) A change in the persons who have control of an applicant or licensee;
  - (6) Changes regarding a direct or indirect beneficial or proprietary interest in an applicant's or licensee's business operation;
  - (7) Changes to any key personnel of an applicant or licensee including any executive, employee, or agency, with the power to exercise significant influence over decisions concerning any part of the applicant's or licensee's business operations;
  - (8) Any bankruptcy filed, discharged, or dismissed;
  - (9) Any arrest, charge, plea, or conviction for any crime or offense occurring in any jurisdiction, excluding minor misdemeanor traffic offenses;
  - (10) Any inquiry into, investigation of, or action filed by any gaming regulatory agency or government gaming authority, except for routine renewal application reviews;
  - (11) Any rejection, suspension, revocation, or denial of any gaming-related application or license, and any fine, penalty, or settled amount related to any gaming-related license imposed upon or agreed to in any jurisdiction;
  - (12) Any other changes designated on an applicable update form;
  - (13) Any other information affecting the sports gaming license applicant's or sports gaming licensee's suitability; and
  - (14) Changes regarding any of the above for any person who has control of an applicant or licensee.
- (J) All professional sports organizations appointing a designee operator must update the commission, in writing, within ten days of any material change to any information provided in an initial or renewal sports gaming license application, to include the following:

- (1) Change of name;
  - (2) Change of address;
  - (3) Change of primary telephone number or electronic mail address;
  - (4) Change to the state of incorporation or principal place of business;
  - (5) Any inquiry into, investigation of, or action filed by any gaming regulatory agency or government gaming authority, except for routine renewal application reviews;
  - (6) Any changes to the professional sports organization status as such;
  - (7) Any changes to a professional sports organization's membership in a league, association, or organization with a policy preventing the sports organization from being subject to the regulatory control of the Ohio casino control commission or from otherwise operating under a license, or any changes to the league, association, or organization's policy itself; and
  - (8) Any other changes designated on an applicable update form.
- (K) All type C sports gaming hosts must update the commission, in writing, within 10 days of any material change to any information provided in an initial or renewal sports gaming license application to include the following:
- (1) Changes of name;
  - (2) Change of address;
  - (3) Change of primary telephone number or electronic mail address;
  - (4) Change to any D-1, D-2, or D-5 liquor permit held and issued under Chapter 4303 of the Revised Code;
  - (5) Change to any lottery sales agent license held and issued Chapter 3770 of the Revised Code;
  - (6) Change to a lottery commission recommendation; and
  - (7) Any other changes designated on an applicable update form.
- (L) A sports gaming licensee must adhere to the following with respect to a license granted by the commission:
- (1) A sports gaming proprietor, mobile management services provider, and management services provider must display its license conspicuously in its place of business or have the

license available for inspection by the commission or any law enforcement agency upon request;

(2) A sports gaming occupational licensee must prominently display evidence of a license, as determined by the executive director, while actively on duty for a sports gaming proprietor or when present in a sports gaming facility; and

(3) A type C sports gaming host must display its license conspicuously in its place of business.

(M) Information provided on the application, and any additional information requested by and provided to the commission, will be used as a basis for an investigation of each applicant or licensee.

(N) An incomplete application, or an application containing false, misleading, or omitted information, is cause for administrative action by the commission.

(O) The executive director may recommend to the commission that it deny any application, or limit, condition, restrict, suspend, or revoke any license or impose any fine upon any licensee or other person in accordance with sports gaming law.

(P) No person may re-apply for a license under sports gaming law for three years from the date the person's application for licensure was denied or license was revoked by the commission.

(Q) No license issued under this chapter is transferable. A significant change in or transfer of control of a licensee, as determined by the executive director, must require the filing of a new application and submission of the applicable fees under this chapter before any change in or transfer of control is approved by the commission.

**Rule 3772:1-4-02 | Type A sports gaming proprietor licensure.**

- (A) An applicant for an initial or renewal type A sports gaming proprietor license must complete and submit the appropriate form(s) required by the commission and pay a nonrefundable application fee of one hundred and fifty thousand dollars and all fees necessary to cover the cost of any required criminal-records checks.
- (B) An applicant for an initial or renewal type A sports gaming proprietor license must establish, by clear and convincing evidence, the applicant's suitability for licensure.
- (C) In determining whether to grant, maintain, or renew a type A sports gaming proprietor license, the commission will evaluate and consider the following factors, except if the proprietor is a professional sports organization, in addition to those set forth in division (C) of section 3775.03 and divisions (A), (B), and (C) of section 3775.041 of the Revised Code:
  - (1) Whether the type A sports gaming proprietor and any person that controls it possesses good character, honesty, and integrity;
  - (2) Whether the type A sports gaming proprietor and any person that controls it possesses financial stability, integrity, and responsibility;
  - (3) Whether the type A sports gaming proprietor is a professional sports organization, casino operator, or video lottery sales agents as defined in section 3775.01 of the Revised Code;
  - (4) The extent to which the type A sports gaming proprietor and any person that controls it have cooperated with the commission in connection with the background investigation;
  - (5) The extent to which the type A sports gaming proprietor and any person that controls it have provided accurate and complete information as required by the commission;
  - (6) The suitability of any material person, as determined by the executive director;
  - (7) The reputation and business experience of the type A sports gaming proprietor operating in the state;
  - (8) The type of facilities or proposed facilities that meet the requirements of division (A) of section 3775.04 of the Revised Code;
  - (9) Whether the type A sports gaming proprietor has been issued a comparable sports gaming license in another gaming jurisdiction with similar licensing requirements, as determined by the commission;
  - (10) The prospective total revenue to be collected by the state for the conducting of sports gaming;



- (11) The prospective total taxable income to be earned by the type A sports gaming proprietor's employees in the state;
  - (12) The extent to which the type A sports gaming proprietor contributes to the economic development in the state; and
  - (13) The extent to which the type A sports gaming proprietor has complied with the requirements of Chapters 3772. and 3775. of the Revised Code and the rules adopted thereunder.
- (D) If the type A sports gaming proprietor is a professional sports organization who meets the requirements enumerated in division (A)(2) of section 3775.05 of the Revised Code in appointing a designee operator, the designee operator must establish the designee operator's suitability on behalf of the professional sports organization in accordance with paragraph (C) of this rule. A type A sports gaming proprietor that is a professional sports organization otherwise must:
- (1) Meet all applicable eligibility standards and economic development factors including those in divisions (A) and (C) of section 3775.041 of the Revised Code; and
  - (2) Maintain protocols and procedures in place with the designee operator to ensure independence and avoid conflicts of interest in the operation of sports gaming, in accordance with division (A) of section 3775.05 of the Revised Code and the rules adopted thereunder.
- (E) If, at any time during licensure, a type A sports gaming proprietor that is a professional sports organization wishes to offer sports gaming without a designee operator, the professional sports organization must first demonstrate its suitability under paragraph (C) of this rule as well as compliance with all other provisions of Chapters 3772. and 3775. of the Revised Code and the rules adopted thereunder.
- (F) A type A sports gaming proprietor license expires five years after the date of licensure.
- (G) A type A sports gaming proprietor may request renewal of the license by completing and submitting the appropriate form(s) required by the commission no less than one hundred eighty days before the expiration of the license.
- (H) Upon approval by the commission, at a meeting held under section 3772.02 of the Revised Code, an applicant for an initial or renewal type A sports gaming proprietor license must:
- (1) Pay the first installment of the license fees described in division (E)(1) of section 3775.04 of the Revised Code. Each subsequent annual license fee must be paid by the anniversary date of the granting of the license. Failure to timely pay any portion of a fee required by this rule constitutes cause for the executive director to issue an emergency order in the manner prescribed by division (G) of section 3772.04 of the Revised Code; and

- (2) Post and maintain a surety bond of an amount necessary to cover all future license fees owed, payable to the state, which must be issued by a surety that is licensed to do business in this state, as required by division (E) of section 3775.04 of the Revised Code.
- (I) In the event the application fee paid by a type A sports gaming proprietor is insufficient to cover the actual costs of investigating the suitability of the applicant or the persons that control it, the commission may assess additional fees to cover the costs of the investigation that exceed the application fee paid under this chapter.
- (J) Unless otherwise approved by the executive director, all fees must be submitted to the commission in the form of an electronic funds transfer payable to the treasurer of the state of Ohio.
- (K) If the executive director determines at any time that a type A sports gaming proprietor licensee has not actively offered sports gaming to patrons under the license for a continued period of one year or more or that the proprietor was issued a license because of a preference described in division (A) of section 3775.041 of the Revised Code and no longer qualifies for that preference, administrative action to revoke the applicable license will be taken against the licensee. Notice of the proposed action and an opportunity for hearing will be provided in the manner prescribed under Chapter 119. of the Revised Code and Chapter 3772-21 of the Administrative Code. In so doing, the executive director may issue an emergency order in the manner prescribed by division (G) of section 3772.04 of the Revised Code. Such administrative action will not affect any other sports gaming proprietor licenses that are held by the licensee.
- (L) The applicant should clearly identify those portions of the application that it deems to be confidential, proprietary commercial information, trade secrets, or otherwise not subject to public disclosure. Information provided as part of the application and licensing process is open to public inspection to the extent provided by the Ohio Public Records Act and section 3775.14 of the Revised Code.

**Rule 3772:1-4-03 | Type B sports gaming proprietor licensure.**

- (A) An applicant for an initial or renewal type B sports gaming proprietor license must complete and submit the appropriate form(s) required by the commission and pay a nonrefundable application fee of twenty thousand dollars and all fees necessary to cover the cost of any required criminal-records checks.
- (B) An applicant for an initial or renewal type B sports gaming proprietor license must establish, by clear and convincing evidence, the applicant's suitability for licensure.
- (C) In determining whether to grant, maintain, or renew a type B sports gaming proprietor license, the commission will evaluate and consider the following factors, except if the proprietor is a professional sports organization, in addition to those set forth in division (C) of section 3775.03 and divisions (A), (B), and (C) of section 3775.041 of the Revised Code:
  - (1) Whether the type B sports gaming proprietor and any person that controls it possesses good character, honesty, and integrity;
  - (2) Whether the type B sports gaming proprietor and any person that controls it possesses financial stability, integrity, and responsibility;
  - (3) Whether the type B sports gaming proprietor is a professional sports organization, casino operator, or video lottery sales agents as defined in section 3775.01 of the Revised Code;
  - (4) The extent to which the type B sports gaming proprietor and any person that controls it have cooperated with the commission in connection with the background investigation;
  - (5) The extent to which the type B sports gaming proprietor and any person that controls it have provided accurate and complete information as required by the commission;
  - (6) The suitability of any material person, as determined by the executive director;
  - (7) The reputation and business experience of the type B sports gaming proprietor operating in the state;
  - (8) The suitability of the facilities or proposed facilities for the conducting of sports gaming in the state;
  - (9) Whether the type B sports gaming proprietor has been issued a comparable sports gaming license in another gaming jurisdiction with similar licensing requirements, as determined by the commission;
  - (10) The prospective total revenue to be collected by the state for the conducting of sports gaming;

- (11) The prospective total taxable income to be earned by the type B sports gaming proprietor's employees in the state;
  - (12) The extent to which the type B sports gaming proprietor contributes to the economic development in the state; and
  - (13) The extent to which the type B sports gaming proprietor has complied with the requirements of Chapters 3772. and 3775. of the Revised Code and the rules adopted thereunder.
- (D) If the type B sports gaming proprietor is a professional sports organization who meets the requirements enumerated in division (A)(2) of section 3775.05 of the Revised Code in appointing a designee operator, the designee operator must establish the designee operator's suitability on behalf of the professional sports organization in accordance with paragraph (C) of this rule. A type B sports gaming proprietor that is a professional sports organization otherwise must:
- (1) Meet all applicable eligibility standards and economic development factors including those in divisions (A) and (C) of section 3775.041 of the Revised Code; and
  - (2) Maintain protocols and procedures in place with the designee operator to ensure independence and avoid conflicts of interest in the operation of sports gaming, in accordance with division (A) of section 3775.05 of the Revised Code and the rules adopted thereunder.
- (E) If, at any time during licensure, a type B sports gaming proprietor that is a professional sports organization wishes to offer sports gaming without a designee operator, the professional sports organization must first demonstrate its suitability under paragraph (C) of this rule as well as compliance with all other provisions of Chapters 3772. and 3775. of the Revised Code and the rules adopted thereunder.
- (F) In addition to the factors in paragraph (C) of this rule and the county population parameters outlined in division (B) of section 3775.04 of the Revised Code, the commission will only issue an initial type B sports gaming proprietor license to a person who conducts significant economic activity in the county in which the sports gaming facility is to be located. This requirement will be determined by the commission in consultation with the department of development and may include consideration of the following factors:
- (1) Contributions of physical capital or infrastructure;
  - (2) Contributions to employment;
  - (3) Contributions to business development, including tourism; and
  - (4) Any other factors the commission determines, in consultation with the department of development, to materially affect the economic activity in a particular county.

- (G) A type B sports gaming proprietor license expires five years after the date of licensure.
- (H) A type B sports gaming proprietor may request renewal of the license by completing and submitting the appropriate form(s) required by the commission no less than one hundred eighty days before the expiration of the license.
- (I) Upon approval by the commission, at a meeting held under section 3772.02 of the Revised Code, an applicant for an initial or renewal type B sports gaming proprietor license must:
- (1) Pay the first installment of the license fees described in division (E)(2) of section 3775.04 of the Revised Code. Each subsequent annual license fee must be paid by the anniversary date of the granting of the license. Failure to timely pay any portion of a fee required by this rule constitutes cause for the executive director to issue an emergency order in the manner prescribed by division (G) of section 3772.04 of the Revised Code; and
  - (2) Post and maintain a surety bond of an amount necessary to cover all future license fees owed, payable to the state, which must be issued by a surety that is licensed to do business in this state, as required by division (E) of section 3775.04 of the Revised Code.
- (J) In the event the application fee paid by a type B sports gaming proprietor is insufficient to cover the actual costs of investigating the suitability of the applicant or the persons that control it, the commission may assess additional fees to cover the costs of the investigation that exceed the application fee paid under this chapter.
- (K) Unless otherwise approved by the executive director, all fees must be submitted to the commission in the form of an electronic funds transfer payable to the treasurer of the state of Ohio.
- (L) If the executive director determines at any time that a type B sports gaming proprietor licensee has not actively offered sports gaming to patrons under the license for a continued period of one year or more, or that the proprietor was issued a license because of a preference described in division (A) of section 3775.041 of the Revised Code and no longer qualifies for that preference, administrative action to revoke the applicable license will be taken against the licensee. Notice of the proposed action and an opportunity for hearing will be provided in the manner prescribed under Chapter 119. of the Revised Code and Chapter 3772-21 of the Administrative Code. In so doing, the executive director may issue an emergency order in the manner prescribed by division (G) of section 3772.04 of the Revised Code. Such administrative action will not affect any other sports gaming proprietor licenses that are held by the licensee.
- (M) The applicant should clearly identify those portions of the application that it deems to be confidential, proprietary commercial information, trade secrets, or otherwise not subject to public disclosure. Information provided as part of the application and licensing process is open to public inspection to the extent provided by the Ohio Public Records Act and section 3775.14 of the Revised Code.

**Rule 3772:1-4-05 | Mobile management services provider licensure.**

- (A) An applicant for an initial or renewal mobile management services provider license must complete and submit the appropriate form(s) required by the commission and pay a nonrefundable application fee of one hundred fifty thousand dollars and all fees necessary to cover the cost of any required criminal-records checks.
- (B) An applicant for an initial or renewal mobile management services provider license must establish, by clear and convincing evidence, the applicant's suitability for licensure.
- (C) In determining whether to grant, maintain, or renew a mobile management services provider license, the commission will evaluate and consider the following factors, in addition to those set forth in division (C) of section 3775.03 and division (B) of section 3775.041 of the Revised Code:
  - (1) Whether the mobile management services provider and any person that controls it possesses good character, honesty, and integrity;
  - (2) Whether the mobile management services provider and any person that controls it possesses financial stability, integrity, and responsibility;
  - (3) The extent to which the mobile management services provider and any person that controls it have cooperated with the commission in connection with the background investigation;
  - (4) The extent to which the mobile management services provider and any person that controls it have provided accurate and complete information as required by the commission;
  - (5) Whether the mobile management services provider has been issued a comparable sports gaming license in another gaming jurisdiction with similar licensing requirements, as determined by the commission;
  - (6) Whether the applicant is considered a designated first mobile management services provider or designated second mobile management services provider pursuant to division (A) of section 3775.05 of the Revised Code, including whether issuing a person a designated second mobile management services provider license would provide an incremental economic benefit to the state and would not prevent any other type A sports gaming proprietor from securing a first designated mobile management services provider. The economic benefit generated to the state will be determined by the additional actual or expected sports gaming tax revenue generated, jobs created in the state by the second designated mobile management services provider, or other economic impacts as approved by the commission;
  - (7) Whether the mobile management services provider has been contractually appointed as the mobile management services provider or designee operator by a type A sports gaming proprietor licensee, subject to regulatory approval;

- (8) The reputation and business experience of the mobile management services provider operating in the state;
  - (9) The prospective total revenue to be collected by the state for the conducting of sports gaming; and
  - (10) The extent to which the mobile management services provider has complied with the requirements of Chapters 3772. and 3775. of the Revised Code and the rules adopted thereunder.
- (D) A mobile management services provider that has been appointed as the designee operator in accordance with division (A) of section 3775.05 of the Revised Code must ensure complete independence with the professional sports organization that holds the contractual type A sports gaming proprietor license by:
- (1) Not sharing material or sensitive information with the professional sports organization concerning the operation of sports gaming in this state;
  - (2) Maintaining separate and independent records as it relates to the operation of sports gaming in this state, to the extent such records exist in the normal course of business;
  - (3) Not being controlled or improperly influenced by the professional sports organization;
  - (4) Creating, implementing, and maintaining a conflicts of interest policy, that is approved by the commission, to avoid any apparent or actual conflicts of interest with or between the professional sports organization. Any material changes to this policy, as determined by the executive director, must be approved by the executive director.
- (E) A mobile management services provider license expires five years after the date of licensure.
- (F) A mobile management services provider may request renewal of the license by completing and submitting the appropriate form(s) required by the commission no less than one hundred eighty days before the expiration of the license.
- (G) Upon approval by the commission, at a meeting held under section 3772.02 of the Revised Code, an applicant for an initial or renewal mobile management services provider license must:
- (1) Pay the first installment of the license fees described in division (B)(3) of section 3775.05 of the Revised Code. Each subsequent annual license fee must be paid by the anniversary date of the granting of the license. Failure to timely pay any portion of a fee required by this rule constitutes cause for the executive director to issue an emergency order in the manner prescribed by division (G) of section 3772.04 of the Revised Code;
  - (2) Post and maintain a surety bond of at least five hundred thousand dollars payable to the state, which must be issued by a surety that is licensed to do business in this state; and

- (3) Have a commission-approved written contract with a type A sports gaming proprietor to operate sports gaming on the proprietor's behalf. The contract must contain a description of what duties under Chapter 3775. of the Revised Code and the rules adopted thereunder each party is responsible for.
- (H) Any material change, as determined by the executive director, to the contract described in paragraph (G)(3) of this rule requires executive director approval. If material changes to the contract are made without approval, those changes are null and void. This contract, and any provision thereof, is not assignable or transferable.
- (I) No mobile management services provider may hold more than four mobile management services licenses at any one time. For each mobile management services provider application submitted after the first, a mobile management services provider need only complete those portions of the application so indicated and need only pay an application fee of seventy five thousand dollars.
- (J) In the event the application fee paid by a mobile management services provider is insufficient to cover the actual costs of investigating the suitability of the applicant or the persons that control it, the commission may assess additional fees to cover the costs of the investigation that exceed the application fee paid under this chapter.
- (K) Unless otherwise approved by the executive director, all fees must be submitted to the commission in the form of an electronic funds transfer payable to the treasurer of the state of Ohio.
- (L) If the executive director determines at any time that a second designated mobile management services provider licensee has not actively offered sports gaming to the economic benefit of the state under the license for a continued period of one year or more, administrative action to revoke the applicable license will be taken against the licensee. Notice of the proposed action and an opportunity for hearing will be provided in the manner prescribed under Chapter 119. of the Revised Code and Chapter 3772-21 of the Administrative Code. Such administrative action will not affect any other mobile management services provider licenses that are held by the licensee.
- (M) The applicant should clearly identify those portions of the application that it deems to be confidential, proprietary commercial information, trade secrets, or otherwise not subject to public disclosure. Information provided as part of the application and licensing process is open to public inspection to the extent provided by the Ohio Public Records Act and section 3775.14 of the Revised Code.



**Rule 3772:1-4-06 | Management services provider licensure.**

- (A) An applicant for an initial or renewal management services provider license must complete and submit the appropriate form(s) required by the commission and pay a nonrefundable application fee of twenty thousand dollars and all fees necessary to cover the cost of any required criminal-records checks.
- (B) An applicant for an initial or renewal management services provider license must establish, by clear and convincing evidence, the applicant's suitability for licensure.
- (C) In determining whether to grant, maintain, or renew a management services provider license, the commission will evaluate and consider the following factors, in addition to those set forth in division (C) of section 3775.03 and division (B) of section 3775.041 of the Revised Code:
  - (1) Whether the management services provider and any person that controls it possesses good character, honesty, and integrity;
  - (2) Whether the management services provider and any person that controls it possesses financial stability, integrity, and responsibility;
  - (3) The extent to which the management services provider and any person that controls it have cooperated with the commission in connection with the background investigation;
  - (4) The extent to which the management services provider and any person that controls it have provided accurate and complete information as required by the commission;
  - (5) Whether the management services provider has been issued a comparable sports gaming license in another gaming jurisdiction with similar licensing requirements, as determined by the commission;
  - (6) Whether the management services provider has been contractually appointed as the management services provider or designee operator by a type B sports gaming proprietor licensee, subject to regulatory approval;
  - (7) The reputation and business experience of the management services provider operating in the state;
  - (8) The prospective total revenue to be collected by the state for the conducting of sports gaming; and
  - (9) The extent to which the management services provider has complied with the requirements of Chapters 3772. and 3775. of the Revised Code and the rules adopted thereunder.
- (D) A management services provider that has been appointed as the designee operator in accordance with division (A) of section 3775.051 of the Revised Code must ensure complete

independence with the professional sports organization that holds the contractual type B sports gaming proprietor license by:

- (1) Not sharing material or sensitive information with the professional sports organization concerning the operation of sports gaming in this state;
- (2) Maintaining separate and independent records as it relates to the operation of sports gaming in this state, to the extent such records exist in the normal course of business;
- (3) Not being controlled or improperly influenced by the professional sports organization;
- (4) Creating, implementing, and maintaining a conflicts of interest policy, that is approved by the commission, to avoid any apparent or actual conflicts of interest with or between the professional sports organization. Any material changes to this policy, as determined by the executive director, must be approved by the executive director.

(E) A management services provider license expires five years after the date of licensure.

(F) A management services provider may request renewal of the license by completing and submitting the appropriate form(s) required by the commission no less than one hundred eighty days before the expiration of the license.

(G) Upon approval by the commission, at a meeting held under section 3772.02 of the Revised Code, an applicant for an initial or renewal management services provider license must:

- (1) Pay the first installment of the license fees described in division (B)(3) of section 3775.051 of the Revised Code. Each subsequent annual license fee must be paid by the anniversary date of the granting of the license. Failure to timely pay any portion of a fee required by this rule constitutes cause for the executive director to issue an emergency order in the manner prescribed by division (G) of section 3772.04 of the Revised Code;
- (2) Post and maintain a surety bond of at least one hundred thousand dollars payable to the state, which must be issued by a surety that is licensed to do business in this state; and
- (3) Have a commission-approved written contract with a type B sports gaming proprietor to operate sports gaming on the proprietor's behalf. The contract must contain a description of what duties under Chapter 3775. of the Revised Code and the rules adopted thereunder each party is to be responsible for.

(H) Any material change, as determined by the executive director, to the contract described in paragraph (G)(3) of this rule requires executive director approval. If material changes to the contract are made without approval, those changes are null and void. This contract, and any provision thereof, is not assignable or transferrable.

(I) No management services provider may hold more than eight management service provider licenses at any one time. For each management services provider application submitted after

the first, a management services provider need only complete those portions of the application so indicated and need only pay an application fee of ten thousand dollars.

- (J) In the event the application fee paid by a management services provider is insufficient to cover the actual costs of investigating the suitability of the applicant or the persons that control it, the commission may assess additional fees to cover the costs of the investigation that exceed the application fee paid under this chapter.
- (K) Unless otherwise approved by the executive director, all fees must be submitted to the commission in the form of an electronic funds transfer payable to the treasurer of the state of Ohio.
- (L) If the executive director determines at any time that a management services provider licensee has not actively offered sports gaming to the economic benefit of the state under the license for a continued period of one year or more, administrative action to revoke the applicable license will be taken against the licensee. Notice of the proposed action and an opportunity for hearing will be provided in the manner prescribed under Chapter 119. of the Revised Code and Chapter 3772-21 of the Administrative Code. Such administrative action will not affect any other management services provider licenses that are held by the licensee.
- (M) The applicant should clearly identify those portions of the application that it deems to be confidential, proprietary commercial information, trade secrets, or otherwise not subject to public disclosure. Information provided as part of the application and licensing process is open to public inspection to the extent provided by the Ohio Public Records Act and section 3775.14 of the Revised Code.

**Rule 3772:1-9-01 | Sports gaming equipment approval and testing.**

- (A) Sports gaming proprietors, mobile management service providers, and management service providers are not permitted to install, maintain, use, or operate any sports gaming equipment unless such equipment is approved by the executive director and included in the commission's database. All sports gaming equipment must be evaluated by a certified independent testing laboratory prior to approval and inclusion in the commission's database, unless otherwise approved by the executive director.
- (B) When sports gaming equipment is required to be tested by a certified independent testing laboratory, a sports gaming supplier must adhere to the following:
  - (1) Submit a written request to a certified independent testing laboratory that, at a minimum, specifically references the scientific testing and technical evaluation necessary to determine compliance with Chapter 3775. of the Revised Code and the rules adopted thereunder, as well as the applicable standards in the appendix to this rule, and identifies the sports gaming equipment at issue;
  - (2) Submit all necessary items and information to the certified independent testing laboratory;
  - (3) Pay all costs associated with the scientific testing and technical evaluation performed by the certified independent testing laboratory;
  - (4) Engage no more than one certified independent testing laboratory to perform scientific testing and technical evaluation of any particular version of sports gaming equipment software, hardware, or other technology without prior written authorization from the executive director; and
  - (5) Submit any items or information pertaining to the sports gaming equipment to the commission, if requested.
- (C) The executive director may require previously approved sports gaming equipment to be evaluated or re-evaluated by a certified independent testing laboratory if it is determined that the equipment fails to meet any of the requirements of division 3775. of the revised code or the rules adopted thereunder or jeopardizes the integrity of sports gaming in any way.
- (D) Sports gaming equipment tested by a certified independent testing laboratory will not be included in the Commission's database unless the executive director approves the test results.
- (E) The portions of sports gaming equipment deemed to be critical must be capable of verification utilizing a verification method approved by the executive director.

## **MINIMUM ELECTRONIC SPORTS GAMING EQUIPMENT STANDARDS**

These standards establish the minimum requirements for electronic sports gaming equipment. The commission may require electronic sports gaming equipment requirements that are more stringent than those set forth by these standards based upon electronic sports gaming equipment technology developments or as necessary to ensure the integrity of sports gaming.

The commission does not adopt the introduction, acknowledgment of other standards, or revision history sections of these standards.

### **Standard One: Event Wagering Systems**

Electronic sports gaming equipment must comply with GLI standard 33 “Event Wagering Systems” version 1.1, dated May 14, 2019.

**Rule 3772:1-9-02 | Sports gaming systems.**

- (A) A sports gaming system must monitor and record all data related to sports gaming in real-time, including any changes made to the data or system. The sports gaming system must provide accurate reporting using a method and format approved by the executive director.
- (B) The sports gaming system servers responsible for storing sports gaming data and hosting the logic necessary for the sports gaming system to maintain compliance with division (C) of section 3775.11 of the Revised Code and the rules and standards adopted thereunder must be located within the state of Ohio. This rule does not prohibit duplicate copies of the sports gaming data from being stored or accessed elsewhere.
- (C) Sports gaming system servers must be managed by an entity holding a sports gaming proprietor, provider, or supplier license. The data center where the sports gaming system server is housed must be secure and have access controls in place to prevent unauthorized access to the sports gaming system servers.
- (D) Sports gaming systems must utilize disk redundancy and sports gaming data must be backed up to prevent the loss of data and minimize down time.
- (E) All communication with a sports gaming system must be secured utilizing an encryption methodology that ensures data integrity and prevents data theft.
- (F) The sports gaming system must perform an authentication check on any sports gaming equipment which connects to it. The authentication check must:
  - (1) Occur each time sports gaming equipment establishes a connection to the sports gaming system. Sports gaming equipment with connections that persist for longer than 24 hours must have the authentication check occur at least once every 24 hours;
  - (2) Determine with a high degree of accuracy if the sports gaming equipment has been altered in a way that may threaten the integrity of the sports gaming system or data;
  - (3) Sever the connection to any software application that fails an authentication check; and
  - (4) Be logged, including, but not limited to:
    - (a) Date and time;
    - (b) Device identifier;
    - (c) Device type;
    - (d) Location; and
    - (e) Disposition of the authentication check.

**Rule 3772:1-9-03 | Sports gaming system change management.**

(A) The licensee responsible for each sports gaming system must implement change management policies and procedures for tracking and controlling changes made to the system. The change management policies and procedures must include:

- (1) Procedures for testing proposed changes in a non-production environment. The non-production environment must be segregated from the production environment and not have the capability to alter data in the production environment;
- (2) Procedures for the installation of changes into the production environment;
- (3) Procedures for the rollback of changes;
- (4) Procedures for documenting each phase of the change management process;
- (5) Procedures for logging all changes to the system; and
- (6) Policies to ensure appropriate segregation of duties to prevent unintended changes from occurring.

(B) Changes made to sports gaming systems must be reviewed and classified by the responsible licensee as follows:

- (1) “High Impact” is any change to components deemed to be critical including the following:
  - (a) A change implementing a new wagering feature or a change which impacts wagering logic;
  - (b) A change impacting required regulatory reports or data used for financial reconciliation;
  - (c) A change impacting geolocation services; or
  - (d) A change impacting the handling or storage of personally identifiable information.
- (2) “Low Impact” is any change to components deemed to be critical which are not considered to be High Impact changes.
- (3) “No Impact” is any other change to the sports gaming system.

- (C) High Impact changes must be tested by a certified independent testing laboratory and require commission notification and executive director approval prior to installation.
- (D) Low Impact changes require notification to the commission prior to installation.
- (E) High and Low Impact changes made to the sports gaming system that are necessary to remediate an immediate threat or liability may be installed immediately. The commission must be notified of the change within 48 hours of implementation. High Impact changes installed in this manner must be tested by a certified independent testing laboratory with testing completed and a testing laboratory letter provided to the commission within 90 days of installation.
- (F) The executive director may determine that a change has been misclassified by the responsible licensee. If a change is determined to have been misclassified, the responsible licensee must complete all requirements of the classification determined by the executive director.



**Rule 3772:1-9-04 | Location-based technology providers.**

- (A) A location-based technology provider must be licensed by the commission as a sports gaming supplier.
- (B) All attempts to place wagers, from both authorized and unauthorized locations, must be recorded by the location-based technology provider. The data must be available to the Commission in a format approved by the executive director.
- (C) The location-based technology provider must provide the Commission access to real-time geofence data, including any equipment necessary to view the real-time geofence data. The method, format, and equipment to access the real-time geofence data must be approved by the executive director.
- (D) The location-based technology provider and its system must meet the following requirements:
  - (1) The system must comply with the applicable electronic sports gaming equipment standards required by this chapter.
  - (2) The system must determine the location of a patron within a margin of error determined by the executive director;
  - (3) The system must provide reporting and analytics to allow for effective monitoring of patron location;
  - (4) The provider must ensure the integrity of the data used to make location determinations;
  - (5) The provider must conduct maintenance and updates to the system to ensure proper functionality; and
  - (6) Any other item required by the executive director.

**Rule 3772:1-11-01 | Sporting events and wager types.**

- (A) A catalogue of approved sporting events and wager types is to be maintained by the commission. Sports gaming proprietors must not offer wagering on any sporting events or wager types not listed in the approved catalogue.
- (B) Sports gaming proprietors may submit a request to the executive director to add a sporting event or wager type to the approved catalogue. The request must be made at least five days before the first requested use of the proposed additional sporting event or wager type. The executive director will prescribe the format for any requests submitted.
- (C) Any requested additions or changes to the catalogue will be reviewed and approved or denied by the executive director.
- (D) A sports governing body may submit a request to the executive director to prohibit or restrict wagering on any sporting event or wager type listed in the catalogue. The executive director will prescribe the format and timeframe for any requests submitted. All licensed sports gaming proprietors must be copied on this request, in the manner prescribed by the executive director. The executive director, in their sole discretion, will determine whether the sports governing body has shown good cause to grant the requested prohibition or restriction. Good cause will be measured by whether the request, if adopted, will ensure the integrity of sports gaming or will be in the best interests of the public.
  - (1) If the executive director determines good cause has been shown, the adopted prohibition or restriction will be either noted in the commission's approved catalogue or the previously approved sporting event or wager type will be removed from the catalogue, as applicable.
  - (2) If the executive director determines good cause has not been shown, the requestor of the prohibition or restriction will be provided with a notice stating the request has been denied and providing the requestor with an opportunity for an appeal hearing. This hearing will be heard by an attorney of the commission who will issue a recommendation to the commission, through the executive director. The hearing is open to the public, to the extent permitted by law, but no evidence or testimony will be taken from any person other than the requestor. The commission, at a meeting held under section 3772.02 of the Revised Code, will determine, based on the recommendation, whether the request is to be adopted. If adopted, the prohibition or restriction will be either noted in the commission's approved catalogue or the previously approved sporting event or wager type will be removed from the catalogue, as applicable. No right of appeal exists from this decision.
- (E) The executive director may do the following:
  - (1) Remove any previously approved sporting event or wager type from the approved catalogue.
  - (2) Issue an emergency order to prohibit or restrict wagering on any sporting event or wager type in the approved catalogue. Any emergency order will be effective immediately and

any wagering offered on the identified sporting event or wager type will be suspended or restricted until the emergency order is lifted.

- (F) Any wagers placed on an incomplete sporting event that has been removed from the catalogue or had wagering suspended through the issuance of an emergency order must be voided in accordance with division 3772:1 of the Administrative Code and the rules adopted thereunder.