



OHIO CASINO CONTROL COMMISSION

2nd Round Sports Gaming Rules

Batch 1 – General Provisions, Provisional Licensing, Certified Independent Testing Laboratories, and Certified Independent Integrity Monitors

Comment Period: January 18, 2022 – January 28, 2022.

Please note that the comment period closes at 5:00 PM on January 28, 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
2nd Round Sports Gaming Rules Batch 1**

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* 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 134th 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.
 - (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 3772:1-1-02 | Authority and purpose.

- (A) The purpose of Division 3772:1 of the Administrative Code is to ensure the integrity of sports gaming in this state.
- (B) The commission may, under procedures established in Chapter 119. of the Revised Code, adopt, amend, or repeal such rules as it deems necessary and proper for the successful and efficient regulation of sports gaming under Chapters 3772. and 3775. of the Revised Code.
- (C) The rules contained in Division 3772:1 of the Administrative code are adopted pursuant to Chapter 3772. or 3775. of the Revised Code.
- (D) The commission may, in its discretion and where permitted by law, delegate its authority to perform any of its functions related to the regulation of sports gaming to the executive director or to other employees of the commission. Such delegations are to be governed by rule 3772-2-05 of the Administrative Code.

Rule 3772:1-1-03 | Construction.

- (A) The provisions of division 3772:1 of the Administrative Code are to be construed in accordance with generally accepted principles of statutory construction, including those set forth in agency 3772 of the Administrative Code.
- (B) In the interpretation of any provisions of division 3772:1 of the Administrative Code, any ambiguity is to be resolved in favor of the interpretation that would provide:
 - (1) The greater assurance of integrity in either the operation or regulation of sports gaming; or
 - (2) Heightened public confidence in the regulation or regulatory processes related to sports gaming.
- (C) Nothing contained in division 3772:1 of the Administrative Code is to be construed to limit the powers and duties of the commission as provided in Chapter 3772. or 3775. of the Revised Code or to conflict with any provision of the Revised Code or any other applicable law.
- (D) If any provision of division 3772:1 of the Administrative Code is held invalid, that holding is not to be construed to invalidate any other provision of agency 3772 of the Administrative Code.

Rule 3772:1-1-04 | Waivers and variances.

- (A) The commission may waive or grant a variance from the provisions of division 3772:1 of the Administrative Code, either on its own or upon a written request, if the commission determines that the waiver or variance is in the best interests of the public.
- (B) A person required to obtain a license under Chapter 3775. of the Revised Code may not seek a waiver from the requirements to apply for, obtain, or maintain a license or to pay a different fee amount than is required to apply for or obtain the license.
- (C) A waiver or variance request submitted under this rule must be submitted in the manner prescribed by the executive director and contain the following:
 - (1) The requestor's name, mailing address, telephone number, and electronic mail address;
 - (2) A contact person and that person's mailing address, telephone number, and electronic mail address;
 - (3) A detailed description of the specific provisions that the requestor is seeking to have waived or to vary from and the reason or reasons justifying the request;
 - (4) The requestor's signature or the signature of a duly authorized representative of the requestor; and
 - (5) Any other information required by the executive director.
- (D) In granting any waiver or variance, the commission may impose conditions or restrictions with which the requestor must comply. Failure to comply with the conditions or restrictions contained in an approved waiver or variance will immediately render the approval void and may result in discipline or other formal action as if the waiver or variance had never been granted.
- (E) The commission may consider any waiver or variance request submitted under this rule at a meeting held under section 3772.02 of the Revised Code or delegate such responsibility to the executive director. If such a delegation occurs, the executive director will provide a written response to the requestor indicating whether the variance has been granted or denied.
- (F) The commission, or the executive director if delegated, retains the sole authority to grant, deny, or modify a waiver or variance request submitted under this rule. The request may be denied or modified for any reason.

(G) Denial or modification of any waiver or variance request submitted under this rule does not require notice and an opportunity for hearing nor will it be considered an adjudication or final appealable order for purposes of Chapter 119 or section 2505.03 of the Revised Code. Such denial or modification will not be considered during any determination of the rights, duties, privileges, or benefits of legal relationships of the requestor.

Rule 3772:1-1-05 | Records retention.

- (A) Unless otherwise required by Chapter 3775. of the Revised Code or any rules adopted thereunder, each sports gaming proprietor, mobile management services provider, management services provider, and supplier must retain and maintain, in a place secure from theft, loss, or destruction, all the records required to be maintained by Chapter 3775. of the Revised Code or the rules adopted thereunder for at least five years from the date of the record's creation, including:
- (1) The business and organizational structure of the record holder;
 - (2) Correspondence, including reports, to or from the commission or any local, state, or federal governmental agency, or foreign gaming regulatory body~~and domestic~~;
 - (3) Any acquisition, construction, remodeling, or maintenance of a proposed or existing sports gaming facility in this state;
 - (4) All transactions and other records related to the lease, purchase, installation, operation, maintenance, or repair of sports gaming equipment stored, maintained, operated, possessed, or otherwise used in conducting sports gaming in this state;
 - (5) Financial statements, accounting records, ledgers, and internal and external audit records;
~~The personnel files for all sports gaming occupational license applicants or licensees;~~
~~Any materials used to advertise, publicize, or otherwise promote sports gaming in this state;~~
 - (6) Records related to the conduct of sports gaming in this state; and
 - (7) Any other books, records, or documents the commission requires, in writing, to be retained and maintained.
- (B) Each sports gaming proprietor, mobile management services provider, management services provider, and supplier must retain and maintain, in a manner consistent with this rule, the personnel files for all sports gaming employee applicants or licensees for three years from the employment decision or last date of employment, as applicable.
- (C) Each sports gaming proprietor, mobile management services provider, management services provider, and supplier must retain and maintain, in a manner consistent with this rule, any materials used to advertise, publicize, or otherwise promote sports gaming in this state for two years from the end of the advertising, promotional, or publicity campaign.
- (D) All records required to be maintained must be organized or furnished by the record holder in a manner that enables the commission to locate, inspect, review, and analyze the records with reasonable ease and efficiency, when requested by the commission.

- (E) Upon request, the record holder must provide the commission with the records required to be maintained by Chapter 3775. of the Revised Code or the rules adopted thereunder.
- (F) Nothing in this rule should be construed to require disclosure of a record that is protected by the attorney-client privilege. If a record that is protected by the attorney-client privilege is at issue, the record holder must provide the commission with written notification of the record's existence, including a general description of the record's contents and the basis for the privilege.

Rule 3772:1-1-06 | Access to records, examinations under oath, and subpoena power.

Consistent with the authority to do the same with respect to fantasy contests, skill-based amusement machine operations, and casino gaming and in the discharge of any duties imposed by Chapters 3772. or 3775. of the Revised Code, the commission may utilize and enforce its authority to access records and conduct examinations under oath as well as its subpoena power in accordance with section 3772.05 of the Revised Code, division (D) of section 3772.04 of the Revised Code, and rule 3772-2-06 of the Administrative Code.

Rule 3772:1-1-07 | Hearings.

- (A) If the executive director concludes that administrative action should be taken against any applicant, licensee, or other person subject to the requirements of this division, the commission will provide notice of the proposed action in the manner prescribed under Chapter 119. of the Revised Code and Chapter 3772-21 of the Administrative Code.

- (B) All hearings and hearing procedures are to be conducted in the manner described in Chapter 3772-21 of the Administrative Code.

Rule 3772:1-1-08 | Sanctions.

(A) The commission, at a meeting held under section 3772.02 of the Revised Code, may discipline any licensee, applicant, or other person subject to the jurisdiction of the commission pursuant to Chapter 3775. of the Revised Code for any of the following:

- (1) Violating or failing to meet any provision or requirement of Chapter 3772. or 3775. of the Revised Code or any rules adopted thereunder;
- (2) Engaging in any material or intentional misrepresentation or material omission;
- (3) Engaging in any fraudulent act;
- (4) Failing to cooperate with the commission;
- (5) Failing to comply with all the terms and conditions of a settlement agreement or agreed order with the commission, and any subsequent amendment or modification;
- (6) Failing to comply with the terms and conditions of a commission order or resolution, or any subsequent amendment or modification;
- (7) Failing to allow the commission access to records as required under Chapter 3775. of the Revised Code and the rules adopted thereunder, to comply with the terms of a subpoena issued by the commission, or to testify on matters about which the person may be lawfully questioned; or
- (8) Engaging in any conduct that undermines the integrity of, or public's confidence in, sports gaming in this state.

(B) The commission, at a meeting held under section 3772.02 of the Revised Code, has the authority to impose any discipline set forth in Chapters 3772. or 3775. of the Revised Code and any rules adopted thereunder, including any of the following:

- (1) Denial, non-renewal, revocation, suspension, conditioning, or restriction of a license;
- (2) Revocation, suspension, or restriction of the sports gaming operations of a sports gaming proprietor;
- (3) A monetary fine;
- (4) A monetary civil penalty; or
- (5) Any other discipline imposed upon or agreed to by a licensee, applicant, or any other person.

(C) Without in any manner ~~limited~~ limiting the authority of the commission to impose the level and type of sanction it may consider appropriate, the commission may take into consideration:

(1) The risk to the public and to the integrity of sports gaming in this state;

(2) Any criteria or factor listed in Chapter 3772. or 3775. of the Revised Code and any rules adopted thereunder; or

(3) Any other factors the commission may consider relevant.

(D) ~~The commission may impose a monetary civil penalty or fine and may consider the person's finances in determining the amount of the fine.~~ If the alleged violation is the result of, or results in, the unlawful obtainment or retention of any money or property, the commission may, in addition to any other penalty or fine levied under Chapters 3772. or 3775. of the Revised Code or any rules adopted thereunder, impose a civil penalty or fine in an amount equal to the money or value of the property that was unlawfully obtained or retained.

(E) Any person issued an occupational license under Chapter 3775. of the Revised Code and the rules adopted thereunder whose employment has been terminated is subject to revocation of his or her license for any act or failure to act that occurred while employed.

(F) The commission is not precluded from finding multiple violations within a day, if each violation is the result of separate and distinct acts.

(G) The commission may hold applicants, licensees, or other persons jointly and severally liable for violations of Chapter 3772. or 3775. of the Revised Code and the rules adopted thereunder.

Rule 3772:1-1-99 | Provisional Licenses.

- (A) An applicant for an initial sports gaming license, prior to June 30, 2023, may request a provisional license by submitting a written provisional request to the commission, submitting a complete application for the applicable plenary license type, providing the commission with all documents and information the commission requests, and paying a nonrefundable application fee, as described in paragraph (B) of this rule.
- (B) The application fees for a provisional license are as follows:
 - (1) Sports gaming proprietors: fifteen thousand dollars;
 - (2) Mobile management services providers and management services providers: ten thousand dollars;
 - (3) Sports gaming suppliers: ten thousand dollars;
 - (4) Sports gaming occupational licenses: one hundred dollars; and
 - (5) Type C sports gaming hosts: one thousand dollars.
- (C) The amount charged for a provisional license application will be credited to any applicant's plenary license application or license fee, as applicable. Nothing in this rule is to be construed as to set or limit the plenary license application fees for any sports gaming license type.
- (D) An applicant must pay those fees required by division (B) of section 3775.03~~(B)~~ and division (E) of section 121.18 of the Revised Code.
- (E) An applicant that employs an occupational license applicant must pay the provisional application fee and those fees described in paragraph (D) of this rule on the occupational license applicant's behalf.
- (F) Unless otherwise approved by the executive director, all fees must be submitted in the form of an electronic funds transfer payable to the treasurer of the state of Ohio.
- (G) If all requirements of this rule have been met, the executive director may issue a provisional license of the applicable type to the applicant.
- (H) Provisional licenses are valid up to three months and may be renewed one time for up to three additional months.
- (I) A provisional license may be renewed at the direction of the executive director to avoid a lapse in licensure.
- (J) No provisional license will be valid after June 30, 2023.

(K) No applicant will be issued a provisional license under this rule unless the applicant is also being considered for plenary license under division 3772:1 of the Administrative Code.

(L) An applicant who is granted a provisional license under this rule and later withdraws, abandons, or surrenders their plenary license application will be required to pay the associated license fee for the applicable license type.

Rule 3772:1-15-01 | Independent testing laboratory certification.

- (A) An independent testing laboratory must be certified under Chapter 3772-15 of the Administrative Code to be certified to scientifically test and technically evaluate sports gaming equipment for compliance with Chapter 3775. of the Revised Code and the rules adopted thereunder.

- (B) An independent testing laboratory certified under Chapter 3772-15 of the Administrative Code may request to be certified by the commission to scientifically test and technically evaluate sports gaming equipment. The independent testing laboratory must meet the following requirements:
 - (1) The independent testing laboratory must pay an additional sports gaming test laboratory compliance investigation fee of two thousand dollars.

 - (2) The independent testing laboratory must submit to a supplemental independent sports gaming testing laboratory compliance investigation. The supplemental sports gaming compliance investigation may include, but is not limited to, a review of the independent testing laboratory's:
 - (a) Staff experience and expertise testing sports gaming equipment;

 - (b) Sports gaming equipment test scripts; and

 - (c) Any other information as required by the executive director.

 - (3) The independent testing laboratory must comply with all requirements and duties of certification in Chapter 3772-15 of the Administrative Code.

- (C) The certification to scientifically test and evaluate sports gaming equipment will expire on the same date as the independent testing laboratory's certification granted under Chapter 3772-15 of the Administrative Code.

Rule 3772:1-16-01 | Independent integrity monitor provider certification.

- (A) An independent integrity monitor provider must request to be certified by the commission to ~~scientifically~~ analyze and evaluate sports gaming data, sports gaming lines, and wagering activity for compliance with Chapter 3775. of the Revised Code and the rules adopted thereunder.
- (B) An independent integrity monitor provider requesting certification or renewal certification must pay a nonrefundable certification fee of five thousand dollars.
- (C) The certification fee may be increased to the extent that the cost of the compliance investigation exceeds the certification fee set forth in paragraph (B) of this rule. The executive director must advise the independent integrity monitor provider in writing that an additional certification fee is required and the amount and purpose of the additional fee. The commission will not certify an independent integrity monitor provider until the entirety of the certification fee is paid.
- (D) Unless otherwise approved by the executive director, all fees must be submitted by electronic funds transfer payable to the treasurer of the state of Ohio.
- (E) An independent integrity monitor provider requesting certification or requesting renewal certification must undergo a compliance investigation. Results from a compliance investigation completed within the year prior to a renewal certification request may be applied to the renewal certification request at the executive director's discretion.
- (F) Independent integrity monitor provider certification expires five years after the date of certification.
- (G) A certified independent integrity monitor provider may request renewal of the certification by submitting an intent to renew not less than ninety days before the expiration of the certification.
- (H) The request to be certified as an independent integrity monitor provider and the granting of the certification by the commission, and subject to any other requirements imposed by Chapter 3775. of the Revised Code and the rules adopted thereunder, constitutes the contract required by section 3775.02 of the Revised Code.

Rule 3772:1-16-02 | Compliance investigation of an independent integrity monitor provider.

- (A) An independent integrity monitor provider must undergo a compliance investigation at least once every five years, as determined by the executive director, to verify compliance with Chapter 3775. of the Revised Code and the rules adopted thereunder. All information, documents and materials required by the executive director, must be provided at the independent integrity monitor provider's sole expense and cost, and the independent integrity monitor provider must bear the cost of the investigation.
- (B) An independent integrity monitor provider should clearly identify those portions of the information submitted that it deems to be confidential, proprietary commercial information or trade secrets. Information provided as part of the certification process are open to public inspection to the extent permitted by Ohio's Public Records Act and section 3775.14 of the Revised Code.
- (C) The compliance investigation may include, but is not limited to, a review of the independent integrity monitor provider's:
 - (1) Business structure including, but not limited to, its ownership and controlling interests;
 - (2) Policies and procedures to determine if they prevent conflicts of interest, provide for segregation of duties, detect and prevent fraud, and ensure impartiality;
 - (3) Staff experience and expertise to conduct all required analysis and monitoring;
 - (4) Staff and equipment to determine if they are sufficient to conduct all required analysis and monitoring;
 - (5) Financial viability to conduct all required analysis and monitoring; and
 - (6) Compliance with the requirements of certification as established by Chapter 3775. of the Revised Code and the rules adopted thereunder.

Rule 3772:1-16-03 | Requirements of certification.

- (A) To be certified and maintain certification, the independent integrity monitor provider must meet the following requirements:
- (1) Be independent of any entity, event, or product the provider is monitoring;
 - (2) Employ a full-time quality manager who is responsible for ensuring compliance with Chapter 3775. of the Revised Code and the rules adopted thereunder;
 - (3) Maintain physical security at each independent integrity monitor provider facility, including but not limited to, surveillance systems and alarms to minimize the risk that confidential information is misappropriated;
 - (4) Maintain IT security necessary to minimize the risk that confidential information is misappropriated;
 - (5) Make available to the commission, upon request, all policies, procedures and records of the independent integrity monitor provider;
 - (6) Make available to the commission, upon request, all analysis and monitoring methods, equipment, standards, forms, and other relevant items used by the independent integrity monitor provider;
 - (7) Not subcontract any analysis or monitoring duties without the prior written approval of the executive director;
 - (8) Maintain all records for a minimum of five years.
 - (9) Assist the commission in investigations when requested, at the expense of the independent integrity monitoring provider. The independent integrity monitoring provider may seek reimbursement for the investigation from the entity, or entities, subject to investigation; and
 - (10) Any additional condition imposed by the commission at a meeting held under section 3772.02 of the Revised Code.
- (B) The independent integrity monitor provider must notify the executive director immediately if it fails to maintain compliance with any of these requirements.

Rule 3772:1-16-04 | Duties of a certified independent integrity monitor provider.

- (A) A certified independent integrity monitor provider must monitor all sports gaming conducted in this state by the sports gaming proprietors it has contracted with in order to identify any unusual betting activities or patterns.
- (B) A certified independent integrity monitor must be able to receive sports gaming data in a format approved by the executive director, in real-time, from sports gaming proprietors. At a minimum, the data will include:
- (1) Time;
 - (2) Odds;
 - (3) Location;
 - (4) Wager amount;
 - (5) Win amount;
 - (6) Wager type;
 - (7) Team, side, total or other statistic the wager was placed upon; and
 - (8) Any other information required by the executive director.
- (C) A certified independent integrity monitor must provide a report ~~must be provided~~ to the commission, all sports gaming proprietors, and all certified independent integrity monitoring providers of ~~its analysis and monitoring results for any unusual betting activities or patterns~~ any activity identified as suspicious. The report must be provided in a format approved by the executive director upon identification.
- (D) A certified independent integrity monitor provider must testify at any administrative hearing or court proceeding as requested by the commission.
- (E) A certified independent integrity monitor provider must annually review each of its employees. This review must include a criminal background check and an assessment of the training, experience, performance, and competence of each employee.
- (F) A certified independent integrity monitor provider must take corrective action whenever any nonconforming work is discovered, procedures are not followed, procedures are required to be changed, or other unsatisfactory conditions exist. The commission must be notified upon the corrective action being taken.
- (G) A certified independent integrity monitor provider must establish and maintain a training program for its employees to ensure the employees maintain the experience and expertise to

conduct all analysis and monitoring required by the commission. Training records must be maintained for all employees and made available to the commission upon request.