



## Ohio Administrative Code

### Rule 3775-4-02 Type A sports gaming proprietor licensure.

Effective: August 15, 2022

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(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 ensure the payment of a nonrefundable application fee of one hundred and fifty thousand dollars, as well as 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) Except for an appointing professional sports organization, in determining whether to grant, maintain, or renew a type A sports gaming proprietor license, the commission will evaluate and consider the following factors, 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 establishment and maintenance of facilities that meet the requirements of division (A)(3) 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 online sports gaming by a sports gaming proprietor;
  - (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 an appointing professional sports organization, the designee operator must establish the designee operator's suitability on behalf of the appointing professional sports organization in accordance with paragraph (C) of this rule. A type A sports gaming proprietor that is a professional sports organization, regardless of appointing status, 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 professional sports organization either loses its status as an appointing professional sports organization or otherwise 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 ensure that:

(1) The first installment of the license fees described in division (E)(1) of section 3775.04 of the Revised Code is paid. 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) A surety bond of an amount necessary to cover all future license fees owed, payable to the state, is posted and maintained, as required by division (E) of section 3775.04 of the Revised Code. The bond must be issued by a surety that is licensed to do business in this state.

(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.