## ACTION: Original DATE: 01/16/2024 9:09 AM OHIO CASINO CONTROL COMMISSION

Mike DeWine Governor



Thomas J. Stickrath *Chair* 

## NOTICE OF PUBLIC HEARING

A public hearing will be held by the Ohio Casino Control Commission ("Commission") on **February 16, 2024, at 2:30 p.m.** at its main office, located at 100 E. Broad Street, 20<sup>th</sup> Floor, Columbus, Ohio 43215. The purpose of the hearing is to solicit public comment on the rules contained in ERF package number 201100, summaries of which are below.

All interested parties are invited to attend the hearing and present testimony. Written comments may also be submitted to the attention of Andromeda Morrison, General Counsel and Director of Skill Games, Ohio Casino Control Commission, at 100 E. Broad Street, 20<sup>th</sup> Floor, Columbus, OH 43215, or by electronic mail at <u>rulecomments@casinocontrol.ohio.gov</u>.

## **Rule Summaries**

This rule is being amended to make a technical change, applying the "use or lose" provision to all mobile management services providers ("MMSPs"), and not just second designated MMSPs. The original language that narrowly tailors the reference to designated second MMSPs was a simple rule drafting oversight.

3775-4-05, titled "Mobile management services provider licensure." This rule governs the application and licensure of mobile management services providers ("MMSP"). The rule states that these applicants complete any applicable forms, pay an application fee of one hundred and fifty thousand dollars, and establish their suitability by clear and convincing evidence. In evaluating an applicant, the Commission will consider several statutory factors and factors common in the gaming industry, largely echoing the suitability requirements in the state's Casino Control Law (R.C. Chapter 3772). Pursuant to statute, the rule makes a distinction between first and second designated MMSPs, requiring that second designated MMSPs, in conjunction with their proprietor, prove an incremental economic benefit to the state to be issued a license. The rule also recognizes the statutory appointing professional sports organization exception by requiring that MMSPs that are serving as a designee operator for those organizations ensure sufficient guardrails are in place to segregate the professional sports organization from the operation of sports gaming. Next, the rule outlines certain statutory requirements licensees must undertake upon licensure, including payment of license fees and a surety bond and that the MMSP and their proprietor enter into and maintain a contract by which the MMSP may offer sports gaming on behalf of the proprietor. This contract must include a 100 E. Broad Street – 20th Floor – Columbus, OH 43215

(855) 800-0058 toll-free www.casinocontrol.ohio.gov description of what duties each party is responsible for. The rule, pursuant to R.C. 3775.05(E), sets a maximum number of MMSP licenses a person may have at four and sets the application fee for those subsequent applications at seventy-five thousand dollars—recognizing the Commission will not need to do additional licensing work for the subsequent licenses, but will have additional expenses related to ensuring the ongoing compliance requirements. The "use or lose" provision of this rule gives the executive director the authority to take action against a MMSP licensee that has not actively offered sports gaming to the economic benefit of the state under the license for a period of one year or more. The purpose of this rule is to implement R.C. sections 3775.03, 3775.04, 3775.041, and 3775.05 and to ensure that only eligible, suitable, and otherwise qualified persons are operating online sports pools in Ohio—through approved agreements with licensed type A sports gaming proprietors.