

Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 45—Missouri Gaming Commission
Chapter 40—Fantasy Sports Contests

PROPOSED RULE

11 CSR 45-40.040 Fantasy Sports Contest Operator Responsibilities

PURPOSE: This rule establishes the commission's access to information, the applicant's duty to disclose changes in information, and the licensed operator's duty to report and prevent misconduct. This rule is designed to assure that the commission receives timely information that may impact on an applicant's or licensee's suitability.

(1) All licensed operators shall provide all information requested by the commission. Access to this information shall be immediate and copies of the information shall be delivered within seven (7) days or less if the commission so orders.

(2) All licensed operators of and applicants for Fantasy Sports Contest Operator (FSCO) licenses issued by the commission shall have a continuing duty to disclose in writing, within ten (10) calendar days for an applicant and thirty (30) calendar days for a licensee, any material change in the information provided in the application forms and requested materials submitted to the commission. Any change in information that is not material must be disclosed to the commission during the licensee's next subsequent application for license renewal.

(3) The duty to disclose changes in information shall continue throughout any application period or period of licensure granted by the commission. This duty shall be in addition to any other reporting requirements.

(4) For the purposes of this rule, "material change" shall mean any change in personal identification or residence information, such as name, address, and phone number; information required in section 313.1000, RSMo; or other information that might affect an applicant or licensed operator's suitability to hold a FSCO license, including, but not limited to, significant changes in financial condition, legally defaulting on a debt owed to the State of Missouri, arrests, convictions, guilty pleas, disciplinary actions, or license denial, suspension, or revocation in other jurisdiction(s).

(5) Licensed operators shall promptly report to the commission any facts which the licensed operator has reasonable grounds to believe indicate a violation of law or commission rule committed by licensed operators, their key persons, or their employees, including, without limitation, the performance of licensed activities different from those permitted under their license.

(6) In addition to all other reporting requirements, FSCO license applicants and licensed operators shall notify the commission within fifteen (15) days after receiving notification that any of the following persons has received a subpoena or is the target of, has been disciplined by, or has been charged in connection with an investigation by a regulatory, administrative, or

prosecutorial agency of a violation of a rule, regulation, or statute relating to licensed gambling, fantasy sports contests, Securities and Exchange Commission (SEC) regulations, or criminal offenses:

- (A) The applicant or licensed operator;
- (B) The applicant's or licensed operator's parent corporation;
- (C) Any subsidiary of the applicant's or licensed operator's parent corporation;
- (D) The applicant's or licensed operator's key persons or employees;
- (E) Any key person of the applicant's or licensed operator's parent corporation; or
- (F) Any key person of any subsidiary of the applicant's or licensed operator's parent corporation.

AUTHORITY: sections 313.920, 313.930, 313.950, 313.960, 313.970, 313.1010, and 313.1020, RSMo (HB 1941, Second Regular Session, Ninety-eighth General Assembly, 2016). Emergency rule filed August 29, 2016, effective Sept. 8, 2016, expires March 6, 2017. Original rule filed Aug. 29, 2016.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri Gaming Commission, PO Box 1847, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. A public hearing is scheduled for Wednesday, November 2, 2016, at 10:00 a.m., in the Missouri Gaming Commission's Hearing Room, 3417 Knipp Drive, Jefferson City, Missouri.