

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

PROPOSED RULE

11 CSR 45-40.030 Commission Approval of Procedures

PURPOSE: This rule establishes the process for approval of fantasy sports contest operators' procedures.

(1) Prior to operating in Missouri, each applicant for a Fantasy Sports Contest Operator (FSCO) License shall submit procedures to the commission that:

(A) Prevent unauthorized withdrawals from a registered player's account by the licensed operator or others;

(B) Make clear that funds in a registered player's account are not the property of the licensed operator and are not available to the licensed operator's creditors;

(C) Segregate player funds from operational funds;

(D) Maintain a reserve in the form of cash or cash equivalents in the amount of the deposits made to the accounts of fantasy sports contest players for the benefit and protection of the funds held in such accounts;

(E) Ensure any prize won by a registered player from participating in a fantasy sports contest is deposited into the registered player's account within forty-eight (48) hours of winning the prize;

(F) Ensure registered players can withdraw the funds maintained in their individual accounts, whether such accounts are open or closed, within five (5) business days of the request being made, unless the licensed operator believes in good faith that the registered player engaged in either fraudulent conduct or other conduct that would put the licensed operator in violation of sections 313.900 to 313.1020, RSMo, in which case the licensed operator may decline to honor the request for withdrawal for a reasonable investigatory period until its investigation is resolved if it provides notice of the nature of the investigation to the registered player. For the purposes of this provision, a request for withdrawal will be considered honored if it is processed by the licensed operator but delayed by a payment processor, credit card issuer, or by the custodian of a financial account;

(G) Allow a registered player to permanently close their account at any time for any reason; and

(H) Offer registered players access to their play history and account details.

(2) Each applicant shall submit the written description of its procedures and all supporting documents designed to satisfy the requirements of section (1) of this rule to the commission with the initial application, unless otherwise directed by the commission.

(3) The commission shall review each submission required by section (2) of this rule and Chapter 313, RSMo and shall determine whether it conforms to the requirements of section (1) of this rule and whether the procedures submitted satisfy the requirements. If the commission finds any insufficiencies, they shall be specified in writing to the licensee, who shall make

appropriate alterations. No FSCO license shall be issued unless and until the procedures are approved by the commission.

(4) Once approved, no licensed operator shall alter its procedures unless and until the change is approved by the commission.

(5) Each licensed operator shall submit to the commission any change to the approved procedures no less than fifteen (15) days prior to implementing the change. The proposed change to the procedures shall be approved or disapproved by the commission. If the change is disapproved, the licensed operator shall not implement the change.

(6) If at any time the commission determines that a licensed operator's procedures are inadequate or do not comply with the requirements of this chapter or Chapter 313, RSMo, the commission shall notify the licensed operator in writing. Within fifteen (15) days after receiving the notification, the licensed operator shall amend its procedures accordingly and shall submit a copy of the procedures, as amended, and a description of any other remedial measures taken.

(7) If a licensed operator plans to disseminate the List of Disassociated Persons (DAP List), the operator shall submit to the commission a plan for the dissemination of the information regarding persons placed on the DAP List, as well as persons who have been removed from the DAP List. The plan shall be designed to safeguard, as best as is reasonably possible, the confidentiality of the information but shall include dissemination to at least the personnel responsible for removing a person on the DAP List from all individually targeted advertising or marketing. Licensed operators may not disclose the name of, or any information about, a person who has been placed on or removed from the DAP List to anyone other than employees and agents of the licensed operator whose duties and functions require access to the information. The plan must be approved by the commission prior to disseminating the information. All information disclosed to any licensed operator regarding anyone placed on or removed from the DAP List shall be deemed a closed record; however, the information may be disclosed as authorized by the individual seeking placement on the DAP List, by law, and through the provisions contained in 11 CSR 45-17.

AUTHORITY: sections 313.930, 313.940, 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 mostly restates the requirements in section 313.930, RSMo. Although private entities will incur costs in complying with the statute, 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.