

60 Day Requirement ([IC 4-22-2-19](#))

LSA Document #17-224

September 18, 2017

On behalf of the Indiana Gaming Commission (IGC), I am submitting this notice in compliance with [IC 4-22-2-19\(c\)](#), which requires an agency to begin the rulemaking process not later than 60 days after the effective date of the statute that authorizes the rule, unless a notice is filed with the Publisher stating the reasons for the agency's noncompliance.

The specific authority for this rulemaking is contained in [IC 4-33-24](#). That chapter provides authorization for IGC to adopt rules for the following four purposes:

- (1) Administering this chapter ([IC 4-33-24](#)).
- (2) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of paid fantasy sports.
- (3) Establishing rules concerning the review of the permits or licenses necessary for a game operator, licensed facility, or licensee.
- (4) Imposing penalties for noncriminal violations of this chapter.

[IC 4-33-24](#) was enacted by P.L.212-2016, SEC.2, and effective July 1, 2016.

The following circumstances and considerations account for the delay in adoption of the rules for paid fantasy sports beyond the 60 day time specified in [IC 4-22-2-19\(c\)](#):

- (1) IGC had very limited experience in the area of paid fantasy sports games. The legalization of paid fantasy sports games is not just new to Indiana, but to all jurisdictions. Before promulgating the regulations that will be enforced against paid fantasy sports game operators and ensure consumer protection and the integrity of paid fantasy sports games in Indiana, IGC wanted to ensure it had a comprehensive understanding of the paid fantasy sports industry, including the issues the industry faces.
- (2) Relatedly, IGC has sought input from stakeholders, experts in the paid fantasy sports industry, and other state regulators where paid fantasy sports has been legalized with respect to the proposed rule.
- (3) In the interim, IGC has adopted an emergency rule that provides basic consumer protections and a lawful and secure environment for Indiana residents to participate in paid fantasy sports games. See LSA Document #17-430(E). The current emergency rule is posted on the IGC's public website at: <http://www.in.gov/igc/2807.htm>. The emergency rule has been in place since September 12, 2016.
- (4) In January 2013 Executive Order 13-03 was issued, requiring agencies to obtain approval of the Office of Management and Budget (OMB) for an exception to the otherwise applicable moratorium on adoption of new rules. IGC submitted its draft proposed rule to the OMB on January 3, 2017, and received a letter from OMB dated May 1, 2017, authorizing IGC to commence the rulemaking procedure for this rule.

IGC initiated the rulemaking process by publishing its Notice of Intent to Adopt a Rule in the Indiana Register on May 10, 2017 (DIN: [20170510-IR-068170224NIA](#)).

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