

**As Reported by the Senate Government Oversight and Reform
Committee**

**129th General Assembly
Regular Session
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Sub. H. B. No. 386

Representative Blessing

**Cosponsors: Representatives Gerberry, Combs, Letson, Barnes, Boyd,
Mallory, O'Brien, Weddington, Williams, Yuko**

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A B I L L

To amend sections 122.014, 173.121, 718.03, 2915.01, 1
2915.02, 2915.06, 2915.08, 2915.09, 2915.091, 2
2915.092, 2915.093, 2915.094, 2915.10, 2915.101, 3
2915.12, 2923.31, 2933.51, 3301.0714, 3769.08, 4
3769.087, 3769.089, 3769.0810, 3770.02, 3770.05, 5
3770.07, 3770.071, 3770.072, 3770.073, 3770.21, 6
3772.01, 3772.03, 3772.032, 3772.04, 3772.07, 7
3772.091, 3772.10, 3772.13, 3772.16, 3772.17, 8
3772.28, 3772.99, 4301.03, 4303.17, 5703.21, 9
5747.062, 5747.063, 5747.08, 5747.12, 5747.98, and 10
5753.03, to enact sections 121.421, 3769.041, 11
3769.0812, 3770.22, 5747.064, and 5753.11, to 12
repeal section 3772.14 of the Revised Code, to 13
amend Section 3 of Sub. H.B. 277 of the 129th 14
General Assembly, and to repeal Section 4 of Sub. 15
H.B. 277 of the 129th General Assembly to make 16
changes to the law regarding video lottery 17
terminals, casino gaming, bingo and instant bingo, 18
and horse racing, to establish a moratorium on new 19
establishments conducting sweepstakes by 20
sweepstakes terminal devices, to make 21

appropriations, and to declare an emergency. 22

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 122.014, 173.121, 718.03, 2915.01, 23
2915.02, 2915.06, 2915.08, 2915.09, 2915.091, 2915.092, 2915.093, 24
2915.094, 2915.10, 2915.101, 2915.12, 2923.31, 2933.51, 3301.0714, 25
3769.08, 3769.087, 3769.089, 3769.0810, 3770.02, 3770.05, 3770.07, 26
3770.071, 3770.072, 3770.073, 3770.21, 3772.01, 3772.03, 3772.032, 27
3772.04, 3772.07, 3772.091, 3772.10, 3772.13, 3772.16, 3772.17, 28
3772.28, 3772.99, 4301.03, 4303.17, 5703.21, 5747.062, 5747.063, 29
5747.08, 5747.12, 5747.98, and 5753.03 be amended and sections 30
121.421, 3769.041, 3769.0812, 3770.22, 5747.064, and 5753.11 of 31
the Revised Code be enacted to read as follows: 32

Sec. 121.421. (A) Notwithstanding division (D)(3) of section 33
121.41 of the Revised Code, in order to determine whether wrongful 34
acts or omissions have been committed or are being committed by 35
present or former employees, the inspector general shall 36
investigate employees of the office of the attorney general who 37
are contractually vested with duties to enforce Chapter 3772. of 38
the Revised Code, including any designated bureau of criminal 39
identification and investigation support staff that are necessary 40
to fulfill the investigatory and law enforcement functions of the 41
Ohio casino control commission. The inspector general and any 42
deputy inspector general may administer oaths, examine witnesses 43
under oath, and issue subpoenas and subpoenas duces tecum to 44
employees of the office of the attorney general to compel the 45
attendance of witnesses and the production of all kinds of books, 46
records, papers, and tangible things deemed necessary in the 47
course of any such investigation. 48

(B) The inspector general may enter into any contracts that 49
are necessary to complete an investigation. The contracts may 50

include contracts for the services of persons who are experts in a particular field and whose expertise is necessary for successful completion of the investigation.

(C) If the authority of the attorney general terminates or expires, the authority vested in the inspector general by this section terminates upon the conclusion of ongoing investigations or upon issuance of the final report of the investigations.

Sec. 122.014. (A) As used in this section, "gaming activities" means activities conducted in connection with or that include any of the following:

(1) Casino gaming, as authorized and defined in Section 6(C) of Article XV, Ohio Constitution;

(2) Casino gaming, as defined in division ~~(D)~~(E) of section 3772.01 of the Revised Code; or

(3) The pari-mutuel system of wagering as authorized and described in Chapter 3769. of the Revised Code.

(B) The department of development or any other entity that administers any program or development project established under Chapter 122., 166., or 184. of the Revised Code or in sections 149.311, 5709.87, or 5709.88 of the Revised Code shall not provide any financial assistance, including loans, tax credits, and grants, staffing assistance, technical support, or other assistance to businesses conducting gaming activities or for project sites on which gaming activities are or will be conducted.

Sec. 173.121. (A) As used in this section, "bingo," "bingo game operator," and "participant" have the same meanings as in section 2915.01 of the Revised Code.

(B) Notwithstanding sections 2915.07 to 2915.13 of the Revised Code, a multipurpose senior center may conduct bingo games

described in division ~~(S)~~(O)(1) of section 2915.01 of the Revised Code, but only if it complies with all of the following requirements:

(1) All bingo games are conducted only on the premises of the facility.

(2) All participants are ~~sixty~~ twenty-one years of age or older.

(3) All bingo game operators are sixty years of age or older and receive no compensation for serving as operators.

(4) No participant is charged an admission fee, and no participant is charged more than twenty-five cents to purchase a bingo card or sheet.

(5) All proceeds from games are used only for any of the following:

(a) To pay winners monetary or nonmonetary prizes;

(b) To provide refreshments;

(c) To defray any costs directly related to conducting the games;

(d) To defray costs of services the facility provides in accordance with section 173.12 of the Revised Code.

Sec. 718.03. (A) As used in this section:

(1) "Other payer" means any person, other than an individual's employer or the employer's agent, that pays an individual any amount included in the federal gross income of the individual.

(2) "Qualifying wages" means wages, as defined in section 3121(a) of the Internal Revenue Code, without regard to any wage limitations, adjusted as follows:

| | |
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| (a) Deduct the following amounts: | 108 |
| (i) Any amount included in wages if the amount constitutes compensation attributable to a plan or program described in section 125 of the Internal Revenue Code; | 109 110 111 |
| (ii) For purposes of division (B) of this section, any amount included in wages if the amount constitutes payment on account of sickness or accident disability. | 112 113 114 |
| (b) Add the following amounts: | 115 |
| (i) Any amount not included in wages solely because the employee was employed by the employer prior to April 1, 1986; | 116 117 |
| (ii) Any amount not included in wages because the amount arises from the sale, exchange, or other disposition of a stock option, the exercise of a stock option, or the sale, exchange, or other disposition of stock purchased under a stock option and the municipal corporation has not, by resolution or ordinance, exempted the amount from withholding and tax. Division (A)(2)(b)(ii) of this section applies only to those amounts constituting ordinary income. | 118 119 120 121 122 123 124 125 |
| (iii) Any amount not included in wages if the amount is an amount described in section 401(k) or 457 of the Internal Revenue Code. Division (A)(2)(b)(iii) of this section applies only to employee contributions and employee deferrals. | 126 127 128 129 |
| (iv) Any amount that is supplemental unemployment compensation benefits described in section 3402(o)(2) of the Internal Revenue Code and not included in wages. | 130 131 132 |
| (c) Deduct any amount attributable to a nonqualified deferred compensation plan or program described in section 3121(v)(2)(C) of the Internal Revenue Code if the compensation is included in wages and has, by resolution or ordinance, been exempted from taxation by the municipal corporation. | 133 134 135 136 137 |

(d) Deduct any amount included in wages if the amount arises 138
from the sale, exchange, or other disposition of a stock option, 139
the exercise of a stock option, or the sale, exchange, or other 140
disposition of stock purchased under a stock option and the 141
municipal corporation has, by resolution or ordinance, exempted 142
the amount from withholding and tax. 143

(B) ~~For~~ Except as provided in division (F) of this section, 144
for taxable years beginning after 2003, no municipal corporation 145
shall require any employer or any agent of any employer or any 146
other payer, to withhold tax with respect to any amount other than 147
qualifying wages. Nothing in this section prohibits an employer 148
from withholding tax on a basis greater than qualifying wages. 149

(C) An employer is not required to make any withholding with 150
respect to an individual's disqualifying disposition of an 151
incentive stock option if, at the time of the disqualifying 152
disposition, the individual is not an employee of the corporation 153
with respect to whose stock the option has been issued. 154

(D)(1) An employee is not relieved from liability for a tax 155
by the failure of the employer to withhold the tax as required by 156
a municipal corporation or by the employer's exemption from the 157
requirement to withhold the tax. 158

(2) The failure of an employer to remit to the municipal 159
corporation the tax withheld relieves the employee from liability 160
for that tax unless the employee colluded with the employer in 161
connection with the failure to remit the tax withheld. 162

(E) Compensation deferred before June 26, 2003, is not 163
subject to any municipal corporation income tax or municipal 164
income tax withholding requirement to the extent the deferred 165
compensation does not constitute qualifying wages at the time the 166
deferred compensation is paid or distributed. 167

(F) A municipal corporation may require a casino facility or 168

a casino operator, as defined in Section 6(C)(9) of Article XV, 169
Ohio Constitution, and section 3772.01 of the Revised Code, 170
respectively, or a lottery sales agent conducting video lottery 171
terminals on behalf of the state to withhold and remit tax with 172
respect to amounts other than qualifying wages. 173

Sec. 2915.01. As used in this chapter: 174

(A) "Bookmaking" means the business of receiving or paying 175
off bets. 176

(B) "Bet" means the hazarding of anything of value upon the 177
result of an event, undertaking, or contingency, but does not 178
include a bona fide business risk. 179

(C) "Scheme of chance" means a slot machine, lottery, numbers 180
game, pool conducted for profit, or other scheme in which a 181
participant gives a valuable consideration for a chance to win a 182
prize, but does not include bingo, a skill-based amusement 183
machine, or a pool not conducted for profit. 184

(D) "Game of chance" means poker, craps, roulette, or other 185
game in which a player gives anything of value in the hope of 186
gain, the outcome of which is determined largely by chance, but 187
does not include bingo. 188

(E) "Game of chance conducted for profit" means any game of 189
chance designed to produce income for the person who conducts or 190
operates the game of chance, but does not include bingo. 191

(F) "Gambling device" means any of the following: 192

(1) A book, totalizer, or other equipment for recording bets; 193

(2) A ticket, token, or other device representing a chance, 194
share, or interest in a scheme of chance or evidencing a bet; 195

(3) A deck of cards, dice, gaming table, roulette wheel, slot 196
machine, or other apparatus designed for use in connection with a 197

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|---|---|
| game of chance; | 198 |
| (4) Any equipment, device, apparatus, or paraphernalia specially designed for gambling purposes; | 199 200 |
| (5) Bingo supplies sold or otherwise provided, or used, in violation of this chapter. | 201 202 |
| (G) "Gambling offense" means any of the following: | 203 |
| (1) A violation of section 2915.02, 2915.03, 2915.04, 2915.05, 2915.06, 2915.07, 2915.08, 2915.081, 2915.082, 2915.09, 2915.091, 2915.092, 2915.10, or 2915.11 of the Revised Code; | 204 205 206 |
| (2) A violation of an existing or former municipal ordinance or law of this or any other state or the United States substantially equivalent to any section listed in division (G)(1) of this section or a violation of section 2915.06 of the Revised Code as it existed prior to July 1, 1996; | 207 208 209 210 211 |
| (3) An offense under an existing or former municipal ordinance or law of this or any other state or the United States, of which gambling is an element; | 212 213 214 |
| (4) A conspiracy or attempt to commit, or complicity in committing, any offense under division (G)(1), (2), or (3) of this section. | 215 216 217 |
| (H) Except as otherwise provided in this chapter, "charitable organization" means any tax exempt religious, educational, veteran's, fraternal, sporting, service, nonprofit medical, volunteer rescue service, volunteer firefighter's, senior citizen's, historic railroad educational, youth athletic, amateur athletic, or youth athletic park organization. An organization is tax exempt if the organization is either of the following: | 218 219 220 221 222 223 224 |
| <u>(1) An organization that is</u> , and has received from the internal revenue service a determination letter that currently is in effect stating that the organization is, exempt from federal | 225 226 227 |

income taxation under subsection 501(a) and described in 228
subsection 501(c)(3), ~~501(e)(4), 501(e)(8), 501(e)(10), or~~ 229
~~501(e)(19)~~ of the Internal Revenue Code, ~~or if the organization is~~ 230
~~ai~~ 231

(2) A volunteer rescue service organization, volunteer 232
firefighter's organization, veteran's organization, fraternal 233
organization, or sporting organization that is exempt from federal 234
income taxation under ~~subsection 501(a) and is described in~~ 235
subsection 501(c)(4), (c)(7), (c)(8), (c)(10), or (c)(19) of the 236
Internal Revenue Code. ~~Fe~~ 237

To qualify as a "charitable organization," an organization, 238
~~except a volunteer rescue service or volunteer firefighter's~~ 239
~~organization,~~ shall have been in continuous existence as such in 240
this state for a period of two years immediately preceding either 241
the making of an application for a bingo license under section 242
2915.08 of the Revised Code or the conducting of any game of 243
chance as provided in division (D) of section 2915.02 of the 244
Revised Code. ~~A charitable organization that is exempt from~~ 245
~~federal income taxation under subsection 501(a) and described in~~ 246
~~subsection 501(e)(3) of the Internal Revenue Code and that is~~ 247
~~created by a veteran's organization, a fraternal organization, or~~ 248
~~a sporting organization does not have to have been in continuous~~ 249
~~existence as such in this state for a period of two years~~ 250
~~immediately preceding either the making of an application for a~~ 251
~~bingo license under section 2915.08 of the Revised Code or the~~ 252
~~conducting of any game of chance as provided in division (D) of~~ 253
~~section 2915.02 of the Revised Code.~~ 254

(I) "Religious organization" means any church, body of 255
communicants, or group that is not organized or operated for 256
profit and that gathers in common membership for regular worship 257
and religious observances. 258

(J) ~~"Educational organization" means any organization within~~ 259

~~this state that is not organized for profit, the primary purpose 260
of which is to educate and develop the capabilities of individuals 261
through instruction by means of operating or contributing to the 262
support of a school, academy, college, or university. 263~~

~~(K)~~ "Veteran's organization" means any individual post or 264
state headquarters of a national veteran's association or an 265
auxiliary unit of any individual post of a national veteran's 266
association, which post, state headquarters, or auxiliary unit is 267
incorporated as a nonprofit corporation and either has received a 268
letter from the state headquarters of the national veteran's 269
association indicating that the individual post or auxiliary unit 270
is in good standing with the national veteran's association or has 271
received a letter from the national veteran's association 272
indicating that the state headquarters is in good standing with 273
the national veteran's association. As used in this division, 274
"national veteran's association" means any veteran's association 275
that has been in continuous existence as such for a period of at 276
least five years and either is incorporated by an act of the 277
United States congress or has a national dues-paying membership of 278
at least five thousand persons. 279

~~(L)~~(K) "Volunteer firefighter's organization" means any 280
organization of volunteer firefighters, as defined in section 281
146.01 of the Revised Code, that is organized and operated 282
exclusively to provide financial support for a volunteer fire 283
department or a volunteer fire company and that is recognized or 284
ratified by a county, municipal corporation, or township. 285

~~(M)~~(L) "Fraternal organization" means any society, order, 286
state headquarters, or association within this state, except a 287
college or high school fraternity, that is not organized for 288
profit, that is a branch, lodge, or chapter of a national or state 289
organization, that exists exclusively for the common business or 290
sodality of its members. 291

~~(N)(M)~~ "Volunteer rescue service organization" means any organization of volunteers organized to function as an emergency medical service organization, as defined in section 4765.01 of the Revised Code.

~~(O)~~ "Service organization" means either of the following:

~~(1)~~ Any organization, not organized for profit, that is organized and operated exclusively to provide, or to contribute to the support of organizations or institutions organized and operated exclusively to provide, medical and therapeutic services for persons who are crippled, born with birth defects, or have any other mental or physical defect or those organized and operated exclusively to protect, or to contribute to the support of organizations or institutions organized and operated exclusively to protect, animals from inhumane treatment or provide immediate shelter to victims of domestic violence;

~~(2)~~ Any organization that is described in subsection 509(a)(1), 509(a)(2), or 509(a)(3) of the Internal Revenue Code and is either a governmental unit or an organization that is tax exempt under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code and that is an organization, not organized for profit, that is organized and operated primarily to provide, or to contribute to the support of organizations or institutions organized and operated primarily to provide, medical and therapeutic services for persons who are crippled, born with birth defects, or have any other mental or physical defect.

~~(P)~~ "Nonprofit medical organization" means either of the following:

~~(1)~~ Any organization that has been incorporated as a nonprofit corporation for at least five years and that has continuously operated and will be operated exclusively to provide,

~~or to contribute to the support of organizations or institutions
organized and operated exclusively to provide, hospital, medical,
research, or therapeutic services for the public;~~

~~(2) Any organization that is described and qualified under
subsection 501(c)(3) of the Internal Revenue Code, that has been
incorporated as a nonprofit corporation for at least five years,
and that has continuously operated and will be operated primarily
to provide, or to contribute to the support of organizations or
institutions organized and operated primarily to provide,
hospital, medical, research, or therapeutic services for the
public.~~

~~(Q) "Senior citizen's organization" means any private
organization, not organized for profit, that is organized and
operated exclusively to provide recreational or social services
for persons who are fifty five years of age or older and that is
described and qualified under subsection 501(c)(3) of the Internal
Revenue Code.~~

~~(R)(N) "Charitable bingo game" means any bingo game described
in division (S)(O)(1) or (2) of this section that is conducted by
a charitable organization that has obtained a license pursuant to
section 2915.08 of the Revised Code and the proceeds of which are
used for a charitable purpose.~~

~~(S)(O) "Bingo" means either of the following:~~

~~(1) A game with all of the following characteristics:~~

~~(a) The participants use bingo cards or sheets, including
paper formats and electronic representation or image formats, that
are divided into twenty-five spaces arranged in five horizontal
and five vertical rows of spaces, with each space, except the
central space, being designated by a combination of a letter and a
number and with the central space being designated as a free
space.~~

(b) The participants cover the spaces on the bingo cards or 354
sheets that correspond to combinations of letters and numbers that 355
are announced by a bingo game operator. 356

(c) A bingo game operator announces combinations of letters 357
and numbers that appear on objects that a bingo game operator 358
selects by chance, either manually or mechanically, from a 359
receptacle that contains seventy-five objects at the beginning of 360
each game, each object marked by a different combination of a 361
letter and a number that corresponds to one of the seventy-five 362
possible combinations of a letter and a number that can appear on 363
the bingo cards or sheets. 364

(d) The winner of the bingo game includes any participant who 365
properly announces during the interval between the announcements 366
of letters and numbers as described in division ~~(S)~~(O)(1)(c) of 367
this section, that a predetermined and preannounced pattern of 368
spaces has been covered on a bingo card or sheet being used by the 369
participant. 370

(2) Instant bingo, punch boards, and raffles. 371

~~(T)~~(P) "Conduct" means to back, promote, organize, manage, 372
carry on, sponsor, or prepare for the operation of bingo or a game 373
of chance. 374

~~(U)~~(O) "Bingo game operator" means any person, except 375
security personnel, who performs work or labor at the site of 376
bingo, including, but not limited to, collecting money from 377
participants, handing out bingo cards or sheets or objects to 378
cover spaces on bingo cards or sheets, selecting from a receptacle 379
the objects that contain the combination of letters and numbers 380
that appear on bingo cards or sheets, calling out the combinations 381
of letters and numbers, distributing prizes, selling or redeeming 382
instant bingo tickets or cards, supervising the operation of a 383
punch board, selling raffle tickets, selecting raffle tickets from 384

a receptacle and announcing the winning numbers in a raffle, and 385
preparing, selling, and serving food or beverages. 386

~~(V)~~(R) "Participant" means any person who plays bingo. 387

~~(W)~~(S) "Bingo session" means a period that includes both of 388
the following: 389

(1) Not to exceed five continuous hours for the conduct of 390
one or more games described in division ~~(S)~~(O)(1) of this section, 391
instant bingo, and seal cards; 392

(2) A period for the conduct of instant bingo and seal cards 393
for not more than two hours before and not more than two hours 394
after the period described in division ~~(W)~~(S)(1) of this section. 395

~~(X)~~(T) "Gross receipts" means all money or assets, including 396
admission fees, that a person receives from bingo without the 397
deduction of any amounts for prizes paid out or for the expenses 398
of conducting bingo. "Gross receipts" does not include any money 399
directly taken in from the sale of food or beverages by a 400
charitable organization conducting bingo, or by a bona fide 401
auxiliary unit or society of a charitable organization conducting 402
bingo, provided all of the following apply: 403

(1) The auxiliary unit or society has been in existence as a 404
bona fide auxiliary unit or society of the charitable organization 405
for at least two years prior to conducting bingo. 406

(2) The person who purchases the food or beverage receives 407
nothing of value except the food or beverage and items customarily 408
received with the purchase of that food or beverage. 409

(3) The food and beverages are sold at customary and 410
reasonable prices. 411

~~(Y)~~(U) "Security personnel" includes any person who either is 412
a sheriff, deputy sheriff, marshal, deputy marshal, township 413
constable, or member of an organized police department of a 414

municipal corporation or has successfully completed a peace officer's training course pursuant to sections 109.71 to 109.79 of the Revised Code and who is hired to provide security for the premises on which bingo is conducted.

~~(Z)~~(V) "Charitable purpose" means that the net profit of bingo, other than instant bingo, is used by, or is given, donated, or otherwise transferred to, any of the following:

(1) Any organization that is described in subsection 509(a)(1), 509(a)(2), or 509(a)(3) of the Internal Revenue Code and is either a governmental unit or an organization that is tax exempt under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code;

(2) A veteran's organization that is a post, chapter, or organization of veterans, or an auxiliary unit or society of, or a trust or foundation for, any such post, chapter, or organization organized in the United States or any of its possessions, at least seventy-five per cent of the members of which are veterans and substantially all of the other members of which are individuals who are spouses, widows, or widowers of veterans, or such individuals, provided that no part of the net earnings of such post, chapter, or organization inures to the benefit of any private shareholder or individual, and further provided that the net profit is used by the post, chapter, or organization for the charitable purposes set forth in division (B)(12) of section 5739.02 of the Revised Code, is used for awarding scholarships to or for attendance at an institution mentioned in division (B)(12) of section 5739.02 of the Revised Code, is donated to a governmental agency, or is used for nonprofit youth activities, the purchase of United States or Ohio flags that are donated to schools, youth groups, or other bona fide nonprofit organizations, promotion of patriotism, or disaster relief;

(3) A fraternal organization that has been in continuous

existence in this state for fifteen years and that uses the net 447
profit exclusively for religious, charitable, scientific, 448
literary, or educational purposes, or for the prevention of 449
cruelty to children or animals, if contributions for such use 450
would qualify as a deductible charitable contribution under 451
subsection 170 of the Internal Revenue Code; 452

(4) A volunteer firefighter's organization that uses the net 453
profit for the purposes set forth in division ~~(L)~~(K) of this 454
section. 455

~~(AA)~~(W) "Internal Revenue Code" means the "Internal Revenue 456
Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as now or hereafter 457
amended. 458

~~(BB)~~(X) "Youth athletic organization" means any organization, 459
not organized for profit, that is organized and operated 460
exclusively to provide financial support to, or to operate, 461
athletic activities for persons who are twenty-one years of age or 462
younger by means of sponsoring, organizing, operating, or 463
contributing to the support of an athletic team, club, league, or 464
association. 465

~~(CC)~~(Y) "Youth athletic park organization" means any 466
organization, not organized for profit, that satisfies both of the 467
following: 468

(1) It owns, operates, and maintains playing fields that 469
satisfy both of the following: 470

(a) The playing fields are used at least one hundred days per 471
year for athletic activities by one or more organizations, not 472
organized for profit, each of which is organized and operated 473
exclusively to provide financial support to, or to operate, 474
athletic activities for persons who are eighteen years of age or 475
younger by means of sponsoring, organizing, operating, or 476
contributing to the support of an athletic team, club, league, or 477

association. 478

(b) The playing fields are not used for any profit-making 479
activity at any time during the year. 480

(2) It uses the proceeds of bingo it conducts exclusively for 481
the operation, maintenance, and improvement of its playing fields 482
of the type described in division ~~(CC)~~(Y)(1) of this section. 483

~~(DD) "Amateur athletic organization" means any organization,~~ 484
~~not organized for profit, that is organized and operated~~ 485
~~exclusively to provide financial support to, or to operate,~~ 486
~~athletic activities for persons who are training for amateur~~ 487
~~athletic competition that is sanctioned by a national governing~~ 488
~~body as defined in the "Amateur Sports Act of 1978," 90 Stat.~~ 489
~~3045, 36 U.S.C.A. 373.~~ 490

~~(EE)~~(Z) "Bingo supplies" means bingo cards or sheets; instant 491
bingo tickets or cards; electronic bingo aids; raffle tickets; 492
punch boards; seal cards; instant bingo ticket dispensers; and 493
devices for selecting or displaying the combination of bingo 494
letters and numbers or raffle tickets. Items that are "bingo 495
supplies" are not gambling devices if sold or otherwise provided, 496
and used, in accordance with this chapter. For purposes of this 497
chapter, "bingo supplies" are not to be considered equipment used 498
to conduct a bingo game. 499

~~(FF)~~(AA) "Instant bingo" means a form of bingo that ~~uses~~ 500
shall use folded or banded tickets or paper cards with perforated 501
break-open tabs, a face of which is covered or otherwise hidden 502
from view to conceal a number, letter, or symbol, or set of 503
numbers, letters, or symbols, some of which have been designated 504
in advance as prize winners. ~~"Instant bingo" includes seal cards,~~ 505
and may also include games in which some winners are determined by 506
the random selection of one or more bingo numbers by the use of a 507
seal card or bingo blower. In all "instant bingo" the prize amount 508

and structure shall be predetermined. "Instant bingo" does not 509
include any device that is activated by the insertion of a coin, 510
currency, token, or an equivalent, and that contains as one of its 511
components a video display monitor that is capable of displaying 512
numbers, letters, symbols, or characters in winning or losing 513
combinations. 514

~~(CC)~~(BB) "Seal card" means a form of instant bingo that uses 515
instant bingo tickets in conjunction with a board or placard that 516
contains one or more seals that, when removed or opened, reveal 517
predesignated winning numbers, letters, or symbols. 518

~~(HH)~~(CC) "Raffle" means a form of bingo in which the one or 519
more prizes are won by one or more persons who have purchased a 520
raffle ticket. The one or more winners of the raffle are 521
determined by drawing a ticket stub or other detachable section 522
from a receptacle containing ticket stubs or detachable sections 523
corresponding to all tickets sold for the raffle. "Raffle" does 524
not include the drawing of a ticket stub or other detachable 525
section of a ticket purchased to attend a professional sporting 526
event if both of the following apply: 527

(1) The ticket stub or other detachable section is used to 528
select the winner of a free prize given away at the professional 529
sporting event; and 530

(2) The cost of the ticket is the same as the cost of a 531
ticket to the professional sporting event on days when no free 532
prize is given away. 533

~~(II)~~(DD) "Punch board" means a board containing a number of 534
holes or receptacles of uniform size in which are placed, 535
mechanically and randomly, serially numbered slips of paper that 536
may be punched or drawn from the hole or receptacle when used in 537
conjunction with instant bingo. A player may punch or draw the 538
numbered slips of paper from the holes or receptacles and obtain 539

the prize established for the game if the number drawn corresponds 540
to a winning number or, if the punch board includes the use of a 541
seal card, a potential winning number. 542

~~(JJ)~~(EE) "Gross profit" means gross receipts minus the amount 543
actually expended for the payment of prize awards. 544

~~(KK)~~(FF) "Net profit" means gross profit minus expenses. 545

~~(LL)~~(GG) "Expenses" means the reasonable amount of gross 546
profit actually expended for all of the following: 547

(1) The purchase or lease of bingo supplies; 548

(2) The annual license fee required under section 2915.08 of 549
the Revised Code; 550

(3) Bank fees and service charges for a bingo session or game 551
account described in section 2915.10 of the Revised Code; 552

(4) Audits and accounting services; 553

(5) Safes; 554

(6) Cash registers; 555

(7) Hiring security personnel; 556

(8) Advertising bingo; 557

(9) Renting premises in which to conduct a bingo session; 558

(10) Tables and chairs; 559

(11) Expenses for maintaining and operating a charitable 560
organization's facilities, including, but not limited to, a post 561
home, club house, lounge, tavern, or canteen and any grounds 562
attached to the post home, club house, lounge, tavern, or canteen; 563

(12) Payment of real property taxes and assessments that are 564
levied on a premises on which bingo is conducted; 565

(13) Any other product or service directly related to the 566
conduct of bingo that is authorized in rules adopted by the 567

attorney general under division (B)(1) of section 2915.08 of the Revised Code. 568
569

~~(MM)~~(HH) "Person" has the same meaning as in section 1.59 of the Revised Code and includes any firm or any other legal entity, however organized. 570
571
572

~~(NN)~~(II) "Revoke" means to void permanently all rights and privileges of the holder of a license issued under section 2915.08, 2915.081, or 2915.082 of the Revised Code or a charitable gaming license issued by another jurisdiction. 573
574
575
576

~~(OO)~~(JJ) "Suspend" means to interrupt temporarily all rights and privileges of the holder of a license issued under section 2915.08, 2915.081, or 2915.082 of the Revised Code or a charitable gaming license issued by another jurisdiction. 577
578
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580

~~(PP)~~(KK) "Distributor" means any person who purchases or obtains bingo supplies and who does either of the following: 581
582

(1) Sells, offers for sale, or otherwise provides or offers to provide the bingo supplies to another person for use in this state; 583
584
585

(2) Modifies, converts, adds to, or removes parts from the bingo supplies to further their promotion or sale for use in this state. 586
587
588

~~(QQ)~~(LL) "Manufacturer" means any person who assembles completed bingo supplies from raw materials, other items, or subparts or who modifies, converts, adds to, or removes parts from bingo supplies to further their promotion or sale. 589
590
591
592

~~(RR)~~(MM) "Gross annual revenues" means the annual gross receipts derived from the conduct of bingo described in division ~~(S)~~(O)(1) of this section plus the annual net profit derived from the conduct of bingo described in division ~~(S)~~(O)(2) of this section. 593
594
595
596
597

~~(SS)~~(NN) "Instant bingo ticket dispenser" means a mechanical device that dispenses an instant bingo ticket or card as the sole item of value dispensed and that has the following characteristics:

(1) It is activated upon the insertion of United States currency.

(2) It performs no gaming functions.

(3) It does not contain a video display monitor or generate noise.

(4) It is not capable of displaying any numbers, letters, symbols, or characters in winning or losing combinations.

(5) It does not simulate or display rolling or spinning reels.

(6) It is incapable of determining whether a dispensed bingo ticket or card is a winning or nonwinning ticket or card and requires a winning ticket or card to be paid by a bingo game operator.

(7) It may provide accounting and security features to aid in accounting for the instant bingo tickets or cards it dispenses.

(8) It is not part of an electronic network and is not interactive.

~~(TT)~~(OO)(1) "Electronic bingo aid" means an electronic device used by a participant to monitor bingo cards or sheets purchased at the time and place of a bingo session and that does all of the following:

(a) It provides a means for a participant to input numbers and letters announced by a bingo caller.

(b) It compares the numbers and letters entered by the participant to the bingo faces previously stored in the memory of the device.

(c) It identifies a winning bingo pattern. 628

(2) "Electronic bingo aid" does not include any device into 629
which a coin, currency, token, or an equivalent is inserted to 630
activate play. 631

~~(UU)~~(PP) "Deal of instant bingo tickets" means a single game 632
of instant bingo tickets all with the same serial number. 633

~~(VV)~~(OO)(1) "Slot machine" means either of the following: 634

(a) Any mechanical, electronic, video, or digital device that 635
is capable of accepting anything of value, directly or indirectly, 636
from or on behalf of a player who gives the thing of value in the 637
hope of gain; 638

(b) Any mechanical, electronic, video, or digital device that 639
is capable of accepting anything of value, directly or indirectly, 640
from or on behalf of a player to conduct bingo or a scheme or game 641
of chance. 642

(2) "Slot machine" does not include a skill-based amusement 643
machine or an instant bingo ticket dispenser. 644

~~(WW)~~(RR) "Net profit from the proceeds of the sale of instant 645
bingo" means gross profit minus the ordinary, necessary, and 646
reasonable expense expended for the purchase of instant bingo 647
supplies, and, in the case of instant bingo conducted by a 648
veteran's, fraternal, or sporting organization, minus the payment 649
by that organization of real property taxes and assessments levied 650
on a premises on which instant bingo is conducted. 651

~~(XX)~~(SS) "Charitable instant bingo organization" means an 652
organization that is exempt from federal income taxation under 653
subsection 501(a) and described in subsection 501(c)(3) of the 654
Internal Revenue Code and is a charitable organization as defined 655
in this section. A "charitable instant bingo organization" does 656
not include a charitable organization that is exempt from federal 657

income taxation under subsection 501(a) and described in 658
subsection 501(c)(3) of the Internal Revenue Code and that is 659
created by a veteran's organization, a fraternal organization, or 660
a sporting organization in regards to bingo conducted or assisted 661
by a veteran's organization, a fraternal organization, or a 662
sporting organization pursuant to section 2915.13 of the Revised 663
Code. 664

~~(YY)~~(TT) "Game flare" means the board or placard that 665
accompanies each deal of instant bingo tickets and that has 666
printed on or affixed to it the following information for the 667
game: 668

(1) The name of the game; 669

(2) The manufacturer's name or distinctive logo; 670

(3) The form number; 671

(4) The ticket count; 672

(5) The prize structure, including the number of winning 673
instant bingo tickets by denomination and the respective winning 674
symbol or number combinations for the winning instant bingo 675
tickets; 676

(6) The cost per play; 677

(7) The serial number of the game. 678

~~(ZZ) "Historic railroad educational organization" means an 679
organization that is exempt from federal income taxation under 680
subsection 501(a) and described in subsection 501(c)(3) of the 681
Internal Revenue Code, that owns in fee simple the tracks and the 682
right of way of a historic railroad that the organization restores 683
or maintains and on which the organization provides excursions as 684
part of a program to promote tourism and educate visitors 685
regarding the role of railroad transportation in Ohio history, and 686
that received as donations from a charitable organization that 687~~

~~holds a license to conduct bingo under this chapter an amount 688
equal to at least fifty per cent of that licensed charitable 689
organization's net proceeds from the conduct of bingo during each 690
of the five years preceding June 30, 2003. "Historic railroad" 691
means all or a portion of the tracks and right of way of a 692
railroad that was owned and operated by a for-profit common 693
carrier in this state at any time prior to January 1, 1950. 694~~

~~(AAA)(UU)(1) "Skill-based amusement machine" means a 695
mechanical, video, digital, or electronic device that rewards the 696
player or players, if at all, only with merchandise prizes or with 697
redeemable vouchers redeemable only for merchandise prizes, 698
provided that with respect to rewards for playing the game all of 699
the following apply: 700~~

~~(a) The wholesale value of a merchandise prize awarded as a 701
result of the single play of a machine does not exceed ten 702
dollars; 703~~

~~(b) Redeemable vouchers awarded for any single play of a 704
machine are not redeemable for a merchandise prize with a 705
wholesale value of more than ten dollars; 706~~

~~(c) Redeemable vouchers are not redeemable for a merchandise 707
prize that has a wholesale value of more than ten dollars times 708
the fewest number of single plays necessary to accrue the 709
redeemable vouchers required to obtain that prize; and 710~~

~~(d) Any redeemable vouchers or merchandise prizes are 711
distributed at the site of the skill-based amusement machine at 712
the time of play. 713~~

~~A card for the purchase of gasoline is a redeemable voucher 714
for purposes of division ~~(AAA)(UU)~~(1) of this section even if the 715
skill-based amusement machine for the play of which the card is 716
awarded is located at a place where gasoline may not be legally 717
distributed to the public or the card is not redeemable at the 718~~

location of, or at the time of playing, the skill-based amusement machine. 719
720

(2) A device shall not be considered a skill-based amusement machine and shall be considered a slot machine if it pays cash or one or more of the following apply: 721
722
723

(a) The ability of a player to succeed at the game is impacted by the number or ratio of prior wins to prior losses of players playing the game. 724
725
726

(b) Any reward of redeemable vouchers is not based solely on the player achieving the object of the game or the player's score; 727
728

(c) The outcome of the game, or the value of the redeemable voucher or merchandise prize awarded for winning the game, can be controlled by a source other than any player playing the game. 729
730
731

(d) The success of any player is or may be determined by a chance event that cannot be altered by player actions. 732
733

(e) The ability of any player to succeed at the game is determined by game features not visible or known to the player. 734
735

(f) The ability of the player to succeed at the game is impacted by the exercise of a skill that no reasonable player could exercise. 736
737
738

(3) All of the following apply to any machine that is operated as described in division ~~(AAA)~~(UU)(1) of this section: 739
740

(a) As used in division (UU) of this section, "game" and "play" mean one event from the initial activation of the machine until the results of play are determined without payment of additional consideration. An individual utilizing a machine that involves a single game, play, contest, competition, or tournament may be awarded redeemable vouchers or merchandise prizes based on the results of play. 741
742
743
744
745
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(b) Advance play for a single game, play, contest, 748

competition, or tournament participation may be purchased. The 749
cost of the contest, competition, or tournament participation may 750
be greater than a single noncontest, competition, or tournament 751
play. 752

(c) To the extent that the machine is used in a contest, 753
competition, or tournament, that contest, competition, or 754
tournament has a defined starting and ending date and is open to 755
participants in competition for scoring and ranking results toward 756
the awarding of redeemable vouchers or merchandise prizes that are 757
stated prior to the start of the contest, competition, or 758
tournament. 759

(4) For purposes of division ~~(AAA)~~(UU)(1) of this section, 760
the mere presence of a device, such as a pin-setting, 761
ball-releasing, or scoring mechanism, that does not contribute to 762
or affect the outcome of the play of the game does not make the 763
device a skill-based amusement machine. 764

~~(BBB)~~(VV) "Merchandise prize" means any item of value, but 765
shall not include any of the following: 766

(1) Cash, gift cards, or any equivalent thereof; 767

(2) Plays on games of chance, state lottery tickets, bingo, 768
or instant bingo; 769

(3) Firearms, tobacco, or alcoholic beverages; or 770

(4) A redeemable voucher that is redeemable for any of the 771
items listed in division ~~(BBB)~~(VV)(1), (2), or (3) of this 772
section. 773

~~(CCC)~~(WW) "Redeemable voucher" means any ticket, token, 774
coupon, receipt, or other noncash representation of value. 775

~~(DDD)~~(XX) "Pool not conducted for profit" means a scheme in 776
which a participant gives a valuable consideration for a chance to 777
win a prize and the total amount of consideration wagered is 778

distributed to a participant or participants. 779

~~(EEE)~~(YY) "Sporting organization" means a hunting, fishing, 780
or trapping organization, other than a college or high school 781
fraternity or sorority, that is not organized for profit, that is 782
affiliated with a state or national sporting organization, 783
including but not limited to, the ~~Ohio~~ league of Ohio sportsmen, 784
and that has been in continuous existence in this state for a 785
period of three years. 786

~~(FFF)~~(ZZ) "Community action agency" has the same meaning as 787
in section 122.66 of the Revised Code. 788

Sec. 2915.02. (A) No person shall do any of the following: 789

(1) Engage in bookmaking, or knowingly engage in conduct that 790
facilitates bookmaking; 791

(2) Establish, promote, or operate or knowingly engage in 792
conduct that facilitates any game of chance conducted for profit 793
or any scheme of chance; 794

(3) Knowingly procure, transmit, exchange, or engage in 795
conduct that facilitates the procurement, transmission, or 796
exchange of information for use in establishing odds or 797
determining winners in connection with bookmaking or with any game 798
of chance conducted for profit or any scheme of chance; 799

(4) Engage in betting or in playing any scheme or game of 800
chance as a substantial source of income or livelihood; 801

(5) With purpose to violate division (A)(1), (2), (3), or (4) 802
of this section, acquire, possess, control, or operate any 803
gambling device. 804

(B) For purposes of division (A)(1) of this section, a person 805
facilitates bookmaking if the person in any way knowingly aids an 806
illegal bookmaking operation, including, without limitation, 807
placing a bet with a person engaged in or facilitating illegal 808

bookmaking. For purposes of division (A)(2) of this section, a 809
person facilitates a game of chance conducted for profit or a 810
scheme of chance if the person in any way knowingly aids in the 811
conduct or operation of any such game or scheme, including, 812
without limitation, playing any such game or scheme. 813

(C) This section does not prohibit conduct in connection with 814
gambling expressly permitted by law. 815

(D) This section does not apply to any of the following: 816

(1) Games of chance, if all of the following apply: 817

(a) The games of chance are not craps for money or roulette 818
for money. 819

(b) The games of chance are conducted by a charitable 820
organization that is, and has received from the internal revenue 821
service a determination letter that is currently in effect, 822
stating that the organization is, exempt from federal income 823
taxation under subsection 501(a) and described in subsection 824
501(c)(3) of the Internal Revenue Code. 825

(c) The games of chance are conducted at festivals of the 826
charitable organization that are conducted ~~either for a period of~~ 827
~~four consecutive days or less and not more than twice a year or~~ 828
~~for a period of a total of five consecutive days not more than~~ 829
~~once~~ a calendar year, and are conducted on premises owned by the 830
charitable organization for a period of no less than one year 831
immediately preceding the conducting of the games of chance, on 832
premises leased from a governmental unit, or on premises that are 833
leased from a veteran's or fraternal organization and that have 834
been owned by the lessor veteran's or fraternal organization for a 835
period of no less than one year immediately preceding the 836
conducting of the games of chance. 837

A charitable organization shall not lease premises from a 838
veteran's or fraternal organization to conduct a festival 839

described in division (D)(1)(c) of this section if the veteran's 840
or fraternal organization already has leased the premises twelve 841
times during the preceding year to charitable organizations for 842
that purpose. If a charitable organization leases premises from a 843
veteran's or fraternal organization to conduct a festival 844
described in division (D)(1)(c) of this section, the charitable 845
organization shall not pay a rental rate for the premises per day 846
of the festival that exceeds the rental rate per bingo session 847
that a charitable organization may pay under division (B)(1) of 848
section 2915.09 of the Revised Code when it leases premises from 849
another charitable organization to conduct bingo games. 850

(d) All of the money or assets received from the games of 851
chance after deduction only of prizes paid out during the conduct 852
of the games of chance are used by, or given, donated, or 853
otherwise transferred to, any organization that is described in 854
subsection 509(a)(1), 509(a)(2), or 509(a)(3) of the Internal 855
Revenue Code and is either a governmental unit or an organization 856
that is tax exempt under subsection 501(a) and described in 857
subsection 501(c)(3) of the Internal Revenue Code; 858

(e) The games of chance are not conducted during, or within 859
ten hours of, a bingo game conducted for amusement purposes only 860
pursuant to section 2915.12 of the Revised Code. 861

No person shall receive any commission, wage, salary, reward, 862
tip, donation, gratuity, or other form of compensation, directly 863
or indirectly, for operating or assisting in the operation of any 864
game of chance. 865

(2) Any tag fishing tournament operated under a permit issued 866
under section 1533.92 of the Revised Code, as "tag fishing 867
tournament" is defined in section 1531.01 of the Revised Code; 868

(3) Bingo conducted by a charitable organization that holds a 869
license issued under section 2915.08 of the Revised Code. 870

(E) Division (D) of this section shall not be construed to 871
authorize the sale, lease, or other temporary or permanent 872
transfer of the right to conduct games of chance, as granted by 873
that division, by any charitable organization that is granted that 874
right. 875

(F) Whoever violates this section is guilty of gambling, a 876
misdemeanor of the first degree. If the offender previously has 877
been convicted of any gambling offense, gambling is a felony of 878
the fifth degree. 879

Sec. 2915.06. (A) No person shall give to another person any 880
item described in division ~~(BBB)~~(VV)(1), (2), (3), or (4) of 881
section 2915.01 of the Revised Code in exchange for a noncash 882
prize, toy, or novelty received as a reward for playing or 883
operating a skill-based amusement machine or for a free or 884
reduced-price game won on a skill-based amusement machine. 885

(B) Whoever violates division (A) of this section is guilty 886
of skill-based amusement machine prohibited conduct. A violation 887
of division (A) of this section is a misdemeanor of the first 888
degree for each redemption of a prize that is involved in the 889
violation. If the offender previously has been convicted of a 890
violation of division (A) of this section, a violation of that 891
division is a felony of the fifth degree for each redemption of a 892
prize that is involved in the violation. The maximum fine 893
authorized to be imposed for a felony of the fifth degree shall be 894
imposed upon the offender. 895

Sec. 2915.08. (A)(1) Annually before the first day of 896
January, a charitable organization that desires to conduct bingo, 897
instant bingo at a bingo session, or instant bingo other than at a 898
bingo session shall make out, upon a form to be furnished by the 899
attorney general for that purpose, an application for a license to 900

conduct bingo, instant bingo at a bingo session, or instant bingo 901
other than at a bingo session and deliver that application to the 902
attorney general together with a license fee as follows: 903

(a) Except as otherwise provided in this division, for a 904
license for the conduct of bingo, two hundred dollars; 905

(b) For a license for the conduct of instant bingo at a bingo 906
session or instant bingo other than at a bingo session for a 907
charitable organization that previously has not been licensed 908
under this chapter to conduct instant bingo at a bingo session or 909
instant bingo other than at a bingo session, a license fee of five 910
hundred dollars, and for any other charitable organization, a 911
license fee that is based upon the gross profits received by the 912
charitable organization from the operation of instant bingo at a 913
bingo session or instant bingo other than at a bingo session, 914
during the one-year period ending on the thirty-first day of 915
October of the year immediately preceding the year for which the 916
license is sought, and that is one of the following: 917

(i) Five hundred dollars, if the total is fifty thousand 918
dollars or less; 919

(ii) One thousand two hundred fifty dollars plus one-fourth 920
per cent of the gross profit, if the total is more than fifty 921
thousand dollars but less than two hundred fifty thousand one 922
dollars; 923

(iii) Two thousand two hundred fifty dollars plus one-half 924
per cent of the gross profit, if the total is more than two 925
hundred fifty thousand dollars but less than five hundred thousand 926
one dollars; 927

(iv) Three thousand five hundred dollars plus one per cent of 928
the gross profit, if the total is more than five hundred thousand 929
dollars but less than one million one dollars; 930

(v) Five thousand dollars plus one per cent of the gross profit, if the total is one million one dollars or more;

(c) A reduced license fee established by the attorney general pursuant to division (G) of this section.

(d) For a license to conduct bingo for a charitable organization that prior to ~~the effective date of this amendment~~ July 1, 2003, has not been licensed under this chapter to conduct bingo, instant bingo at a bingo session, or instant bingo other than at a bingo session, a license fee established by rule by the attorney general in accordance with division (H) of this section.

(2) The application shall be in the form prescribed by the attorney general, shall be signed and sworn to by the applicant, and shall contain all of the following:

(a) The name and post-office address of the applicant;

(b) A statement that the applicant is a charitable organization and that it has been in continuous existence as a charitable organization in this state for two years immediately preceding the making of the application ~~or for five years in the case of a fraternal organization or a nonprofit medical organization;~~

(c) The location at which the organization will conduct bingo, which location shall be within the county in which the principal place of business of the applicant is located, the days of the week and the times on each of those days when bingo will be conducted, whether the organization owns, leases, or subleases the premises, and a copy of the rental agreement if it leases or subleases the premises;

(d) A statement of the applicant's previous history, record, and association that is sufficient to establish that the applicant is a charitable organization, and a copy of a determination letter that is issued by the Internal Revenue Service and states that the

organization is tax exempt under subsection 501(a) and described 962
in subsection 501(c)(3), 501(c)(4), 501(c)(7), 501(c)(8), 963
501(c)(10), or 501(c)(19) of the Internal Revenue Code; 964

(e) A statement as to whether the applicant has ever had any 965
previous application refused, whether it previously has had a 966
license revoked or suspended, and the reason stated by the 967
attorney general for the refusal, revocation, or suspension; 968

(f) A statement of the charitable purposes for which the net 969
profit derived from bingo, other than instant bingo, will be used, 970
and a statement of how the net profit derived from instant bingo 971
will be distributed in accordance with section 2915.101 of the 972
Revised Code; 973

(g) Other necessary and reasonable information that the 974
attorney general may require by rule adopted pursuant to section 975
111.15 of the Revised Code; 976

(h) If the applicant is a charitable trust as defined in 977
section 109.23 of the Revised Code, a statement as to whether it 978
has registered with the attorney general pursuant to section 979
109.26 of the Revised Code or filed annual reports pursuant to 980
section 109.31 of the Revised Code, and, if it is not required to 981
do either, the exemption in section 109.26 or 109.31 of the 982
Revised Code that applies to it; 983

(i) If the applicant is a charitable organization as defined 984
in section 1716.01 of the Revised Code, a statement as to whether 985
it has filed with the attorney general a registration statement 986
pursuant to section 1716.02 of the Revised Code and a financial 987
report pursuant to section 1716.04 of the Revised Code, and, if it 988
is not required to do both, the exemption in section 1716.03 of 989
the Revised Code that applies to it; 990

(j) In the case of an applicant seeking to qualify as a youth 991
athletic park organization, a statement issued by a board or body 992

vested with authority under Chapter 755. of the Revised Code for 993
the supervision and maintenance of recreation facilities in the 994
territory in which the organization is located, certifying that 995
the playing fields owned by the organization were used for at 996
least one hundred days during the year in which the statement is 997
issued, and were open for use to all residents of that territory, 998
regardless of race, color, creed, religion, sex, or national 999
origin, for athletic activities by youth athletic organizations 1000
that do not discriminate on the basis of race, color, creed, 1001
religion, sex, or national origin, and that the fields were not 1002
used for any profit-making activity at any time during the year. 1003
That type of board or body is authorized to issue the statement 1004
upon request and shall issue the statement if it finds that the 1005
applicant's playing fields were so used. 1006

(3) The attorney general, within thirty days after receiving 1007
a timely filed application from a charitable organization that has 1008
been issued a license under this section that has not expired and 1009
has not been revoked or suspended, shall send a temporary permit 1010
to the applicant specifying the date on which the application was 1011
filed with the attorney general and stating that, pursuant to 1012
section 119.06 of the Revised Code, the applicant may continue to 1013
conduct bingo until a new license is granted or, if the 1014
application is rejected, until fifteen days after notice of the 1015
rejection is mailed to the applicant. The temporary permit does 1016
not affect the validity of the applicant's application and does 1017
not grant any rights to the applicant except those rights 1018
specifically granted in section 119.06 of the Revised Code. The 1019
issuance of a temporary permit by the attorney general pursuant to 1020
this division does not prohibit the attorney general from 1021
rejecting the applicant's application because of acts that the 1022
applicant committed, or actions that the applicant failed to take, 1023
before or after the issuance of the temporary permit. 1024

(4) Within thirty days after receiving an initial license application from a charitable organization to conduct bingo, instant bingo at a bingo session, or instant bingo other than at a bingo session, the attorney general shall conduct a preliminary review of the application and notify the applicant regarding any deficiencies. Once an application is deemed complete, or beginning on the thirtieth day after the application is filed, if the attorney general failed to notify the applicant of any deficiencies, the attorney general shall have an additional sixty days to conduct an investigation and either grant or deny the application based on findings established and communicated in accordance with divisions (B) and (E) of this section. As an option to granting or denying an initial license application, the attorney general may grant a temporary license and request additional time to conduct the investigation if the attorney general has cause to believe that additional time is necessary to complete the investigation and has notified the applicant in writing about the specific concerns raised during the investigation.

(B)(1) The attorney general shall adopt rules to enforce sections 2915.01, 2915.02, and 2915.07 to 2915.13 of the Revised Code to ensure that bingo or instant bingo is conducted in accordance with those sections and to maintain proper control over the conduct of bingo or instant bingo. The rules, except rules adopted pursuant to divisions (A)(2)(g) and (G) of this section, shall be adopted pursuant to Chapter 119. of the Revised Code. The attorney general shall license charitable organizations to conduct bingo, instant bingo at a bingo session, or instant bingo other than at a bingo session in conformance with this chapter and with the licensing provisions of Chapter 119. of the Revised Code.

(2) The attorney general may refuse to grant a license to any organization, or revoke or suspend the license of any

organization, that does any of the following or to which any of 1057
the following applies: 1058

(a) Fails or has failed at any time to meet any requirement 1059
of section 109.26, 109.31, or 1716.02, or sections 2915.07 to 1060
2915.11 of the Revised Code, or violates or has violated any 1061
provision of sections 2915.02 or 2915.07 to 2915.13 of the Revised 1062
Code or any rule adopted by the attorney general pursuant to this 1063
section; 1064

(b) Makes or has made an incorrect or false statement that is 1065
material to the granting of the license in an application filed 1066
pursuant to division (A) of this section; 1067

(c) Submits or has submitted any incorrect or false 1068
information relating to an application if the information is 1069
material to the granting of the license; 1070

(d) Maintains or has maintained any incorrect or false 1071
information that is material to the granting of the license in the 1072
records required to be kept pursuant to divisions (A) and (C) of 1073
section 2915.10 of the Revised Code, if applicable; 1074

(e) The attorney general has good cause to believe that the 1075
organization will not conduct bingo, instant bingo at a bingo 1076
session, or instant bingo other than at a bingo session in 1077
accordance with sections 2915.07 to 2915.13 of the Revised Code or 1078
with any rule adopted by the attorney general pursuant to this 1079
section. 1080

(3) For the purposes of division (B) of this section, any 1081
action of an officer, trustee, agent, representative, or bingo 1082
game operator of an organization is an action of the organization. 1083

(C) The attorney general may grant licenses to charitable 1084
organizations that are branches, lodges, or chapters of national 1085
charitable organizations. 1086

(D) The attorney general shall send notice in writing to the prosecuting attorney and sheriff of the county in which the organization will conduct bingo, instant bingo at a bingo session, or instant bingo other than at a bingo session, as stated in its application for a license or amended license, and to any other law enforcement agency in that county that so requests, of all of the following:

(1) The issuance of the license;

(2) The issuance of the amended license;

(3) The rejection of an application for and refusal to grant a license;

(4) The revocation of any license previously issued;

(5) The suspension of any license previously issued.

(E) A license issued by the attorney general shall set forth the information contained on the application of the charitable organization that the attorney general determines is relevant, including, but not limited to, the location at which the organization will conduct bingo, instant bingo at a bingo session, or instant bingo other than at a bingo session and the days of the week and the times on each of those days when bingo will be conducted. If the attorney general refuses to grant or revokes or suspends a license, the attorney general shall notify the applicant in writing and specifically identify the reason for the refusal, revocation, or suspension in narrative form and, if applicable, by identifying the section of the Revised Code violated. The failure of the attorney general to give the written notice of the reasons for the refusal, revocation, or suspension or a mistake in the written notice does not affect the validity of the attorney general's refusal to grant, or the revocation or suspension of, a license. If the attorney general fails to give the written notice or if there is a mistake in the written notice,

the applicant may bring an action to compel the attorney general 1118
to comply with this division or to correct the mistake, but the 1119
attorney general's order refusing to grant, or revoking or 1120
suspending, a license shall not be enjoined during the pendency of 1121
the action. 1122

(F) A charitable organization that has been issued a license 1123
pursuant to division (B) of this section but that cannot conduct 1124
bingo or instant bingo at the location, or on the day of the week 1125
or at the time, specified on the license due to circumstances that 1126
make it impractical to do so may apply in writing, together with 1127
an application fee of two hundred fifty dollars, to the attorney 1128
general, at least thirty days prior to a change in location, day 1129
of the week, or time, and request an amended license. The 1130
application shall describe the causes making it impractical for 1131
the organization to conduct bingo or instant bingo in conformity 1132
with its license and shall indicate the location, days of the 1133
week, and times on each of those days when it desires to conduct 1134
bingo or instant bingo. Except as otherwise provided in this 1135
division, the attorney general shall issue the amended license in 1136
accordance with division (E) of this section, and the organization 1137
shall surrender its original license to the attorney general. The 1138
attorney general may refuse to grant an amended license according 1139
to the terms of division (B) of this section. 1140

(G) The attorney general, by rule adopted pursuant to section 1141
111.15 of the Revised Code, shall establish a schedule of reduced 1142
license fees for charitable organizations that desire to conduct 1143
bingo or instant bingo during fewer than twenty-six weeks in any 1144
calendar year. 1145

(H) The attorney general, by rule adopted pursuant to section 1146
111.15 of the Revised Code, shall establish license fees for the 1147
conduct of bingo, instant bingo at a bingo session, or instant 1148
bingo other than at a bingo session for charitable organizations 1149

that prior to ~~the effective date of this amendment~~ July 1, 2003, 1150
have not been licensed to conduct bingo, instant bingo at a bingo 1151
session, or instant bingo other than at a bingo session under this 1152
chapter. 1153

(I) The attorney general may enter into a written contract 1154
with any other state agency to delegate to that state agency the 1155
powers prescribed to the attorney general under Chapter 2915. of 1156
the Revised Code. 1157

(J) The attorney general, by rule adopted pursuant to section 1158
111.15 of the Revised Code, may adopt rules to determine the 1159
requirements for a charitable organization that is exempt from 1160
federal income taxation under subsection 501(a) and described in 1161
subsection 501(c)(3) of the Internal Revenue Code to be in good 1162
standing in the state. 1163

Sec. 2915.09. (A) No charitable organization that conducts 1164
bingo shall fail to do any of the following: 1165

(1) Own all of the equipment used to conduct bingo or lease 1166
that equipment from a charitable organization that is licensed to 1167
conduct bingo, or from the landlord of a premises where bingo is 1168
conducted, for a rental rate that is not more than is customary 1169
and reasonable for that equipment; 1170

(2) Except as otherwise provided in division (A)(3) of this 1171
section, use all of the gross receipts from bingo for paying 1172
prizes, for reimbursement of expenses for or for renting premises 1173
in which to conduct a bingo session, for reimbursement of expenses 1174
for or for purchasing or leasing bingo supplies used in conducting 1175
bingo, for reimbursement of expenses for or for hiring security 1176
personnel, for reimbursement of expenses for or for advertising 1177
bingo, or for reimbursement of other expenses or for other 1178
expenses listed in division ~~(HH)~~(GG) of section 2915.01 of the 1179
Revised Code, provided that the amount of the receipts so spent is 1180

not more than is customary and reasonable for a similar purchase, 1181
lease, hiring, advertising, or expense. If the building in which 1182
bingo is conducted is owned by the charitable organization 1183
conducting bingo and the bingo conducted includes a form of bingo 1184
described in division ~~(S)~~(O)(1) of section 2915.01 of the Revised 1185
Code, the charitable organization may deduct from the total amount 1186
of the gross receipts from each session a sum equal to the lesser 1187
of six hundred dollars or forty-five per cent of the gross 1188
receipts from the bingo described in that division as 1189
consideration for the use of the premises. 1190

(3) Use, or give, donate, or otherwise transfer, all of the 1191
net profit derived from bingo, other than instant bingo, for a 1192
charitable purpose listed in its license application and described 1193
in division ~~(Z)~~(V) of section 2915.01 of the Revised Code, or 1194
distribute all of the net profit from the proceeds of the sale of 1195
instant bingo as stated in its license application and in 1196
accordance with section 2915.101 of the Revised Code. 1197

(B) No charitable organization that conducts a bingo game 1198
described in division ~~(S)~~(O)(1) of section 2915.01 of the Revised 1199
Code shall fail to do any of the following: 1200

(1) Conduct the bingo game on premises that are owned by the 1201
charitable organization, on premises that are owned by another 1202
charitable organization and leased from that charitable 1203
organization for a rental rate not in excess of the lesser of six 1204
hundred dollars per bingo session or forty-five per cent of the 1205
gross receipts of the bingo session, on premises that are leased 1206
from a person other than a charitable organization for a rental 1207
rate that is not more than is customary and reasonable for 1208
premises that are similar in location, size, and quality but not 1209
in excess of four hundred fifty dollars per bingo session, or on 1210
premises that are owned by a person other than a charitable 1211
organization, that are leased from that person by another 1212

charitable organization, and that are subleased from that other 1213
charitable organization by the charitable organization for a 1214
rental rate not in excess of four hundred fifty dollars per bingo 1215
session. No charitable organization is required to pay property 1216
taxes or assessments on premises that the charitable organization 1217
leases from another person to conduct bingo sessions. If the 1218
charitable organization leases from a person other than a 1219
charitable organization the premises on which it conducts bingo 1220
sessions, the lessor of the premises shall provide the premises to 1221
the organization and shall not provide the organization with bingo 1222
game operators, security personnel, concessions or concession 1223
operators, bingo supplies, or any other type of service. A 1224
charitable organization shall not lease or sublease premises that 1225
it owns or leases to more than ~~one~~ three other charitable 1226
~~organization~~ organizations per calendar week for ~~the purpose of~~ 1227
conducting bingo sessions on the premises. A person that is not a 1228
charitable organization shall not lease premises that it owns, 1229
leases, or otherwise is empowered to lease to more than three 1230
charitable organizations per calendar week for conducting bingo 1231
sessions on the premises. In no case shall more than nine bingo 1232
sessions be conducted on any premises in any calendar week. 1233

(2) Display its license conspicuously at the premises where 1234
the bingo session is conducted; 1235

(3) Conduct the bingo session in accordance with the 1236
definition of bingo set forth in division ~~(S)~~(O)(1) of section 1237
2915.01 of the Revised Code. 1238

(C) No charitable organization that conducts a bingo game 1239
described in division ~~(S)~~(O)(1) of section 2915.01 of the Revised 1240
Code shall do any of the following: 1241

(1) Pay any compensation to a bingo game operator for 1242
operating a bingo session that is conducted by the charitable 1243
organization or for preparing, selling, or serving food or 1244

beverages at the site of the bingo session, permit any auxiliary 1245
unit or society of the charitable organization to pay compensation 1246
to any bingo game operator who prepares, sells, or serves food or 1247
beverages at a bingo session conducted by the charitable 1248
organization, or permit any auxiliary unit or society of the 1249
charitable organization to prepare, sell, or serve food or 1250
beverages at a bingo session conducted by the charitable 1251
organization, if the auxiliary unit or society pays any 1252
compensation to the bingo game operators who prepare, sell, or 1253
serve the food or beverages; 1254

(2) Pay consulting fees to any person for any services 1255
performed in relation to the bingo session; 1256

(3) Pay concession fees to any person who provides 1257
refreshments to the participants in the bingo session; 1258

(4) Except as otherwise provided in division (C)(4) of this 1259
section, conduct more than three bingo sessions in any seven-day 1260
period. A volunteer firefighter's organization or a volunteer 1261
rescue service organization that conducts not more than five bingo 1262
sessions in a calendar year may conduct more than three bingo 1263
sessions in a seven-day period after notifying the attorney 1264
general when it will conduct the sessions. 1265

(5) Pay out more than six thousand dollars in prizes for 1266
bingo games described in division ~~(S)~~(O)(1) of section 2915.01 of 1267
the Revised Code during any bingo session that is conducted by the 1268
charitable organization. "Prizes" does not include awards from the 1269
conduct of instant bingo. 1270

(6) Conduct a bingo session at any time during the ~~ten-hour~~ 1271
eight-hour period between ~~midnight~~ two a.m. and ten a.m., at any 1272
time during, or within ten hours of, a bingo game conducted for 1273
amusement only pursuant to section 2915.12 of the Revised Code, at 1274
any premises not specified on its license, or on any day of the 1275

week or during any time period not specified on its license. 1276

Division (A)(6) of this section does not prohibit the sale of 1277
instant bingo tickets beginning at nine a.m. for a bingo session 1278
that begins at ten a.m. If circumstances make it impractical for 1279
the charitable organization to conduct a bingo session at the 1280
premises, or on the day of the week or at the time, specified on 1281
its license, or if a charitable organization wants to conduct 1282
bingo sessions on a day of the week or at a time other than the 1283
day or time specified on its license, the charitable organization 1284
may apply in writing to the attorney general for an amended 1285
license pursuant to division (F) of section 2915.08 of the Revised 1286
Code. A charitable organization may apply twice in each calendar 1287
year for an amended license to conduct bingo sessions on a day of 1288
the week or at a time other than the day or time specified on its 1289
license. If the amended license is granted, the organization may 1290
conduct bingo sessions at the premises, on the day of the week, 1291
and at the time specified on its amended license. 1292

(7) Permit any person whom the charitable organization knows, 1293
or should have known, is under the age of eighteen to work as a 1294
bingo game operator; 1295

(8) Permit any person whom the charitable organization knows, 1296
or should have known, has been convicted of a felony or gambling 1297
offense in any jurisdiction to be a bingo game operator; 1298

(9) Permit the lessor of the premises on which the bingo 1299
session is conducted, if the lessor is not a charitable 1300
organization, to provide the charitable organization with bingo 1301
game operators, security personnel, concessions, bingo supplies, 1302
or any other type of service; 1303

(10) Purchase or lease bingo supplies from any person except 1304
a distributor issued a license under section 2915.081 of the 1305
Revised Code; 1306

| | |
|--|------|
| (11)(a) Use or permit the use of electronic bingo aids except | 1307 |
| under the following circumstances: | 1308 |
| (i) For any single participant, not more than ninety bingo | 1309 |
| faces can be played using an electronic bingo aid or aids. | 1310 |
| (ii) The charitable organization shall provide a participant | 1311 |
| using an electronic bingo aid with corresponding paper bingo cards | 1312 |
| or sheets. | 1313 |
| (iii) The total price of bingo faces played with an | 1314 |
| electronic bingo aid shall be equal to the total price of the same | 1315 |
| number of bingo faces played with a paper bingo card or sheet sold | 1316 |
| at the same bingo session but without an electronic bingo aid. | 1317 |
| (iv) An electronic bingo aid cannot be part of an electronic | 1318 |
| network other than a network that includes only bingo aids and | 1319 |
| devices that are located on the premises at which the bingo is | 1320 |
| being conducted or be interactive with any device not located on | 1321 |
| the premises at which the bingo is being conducted. | 1322 |
| (v) An electronic bingo aid cannot be used to participate in | 1323 |
| bingo that is conducted at a location other than the location at | 1324 |
| which the bingo session is conducted and at which the electronic | 1325 |
| bingo aid is used. | 1326 |
| (vi) An electronic bingo aid cannot be used to provide for | 1327 |
| the input of numbers and letters announced by a bingo caller other | 1328 |
| than the bingo caller who physically calls the numbers and letters | 1329 |
| at the location at which the bingo session is conducted and at | 1330 |
| which the electronic bingo aid is used. | 1331 |
| (b) The attorney general may adopt rules in accordance with | 1332 |
| Chapter 119. of the Revised Code that govern the use of electronic | 1333 |
| bingo aids. The rules may include a requirement that an electronic | 1334 |
| bingo aid be capable of being audited by the attorney general to | 1335 |
| verify the number of bingo cards or sheets played during each | 1336 |
| bingo session. | 1337 |

(12) Permit any person the charitable organization knows, or
should have known, to be under eighteen years of age to play bingo
described in division ~~(S)~~(O)(1) of section 2915.01 of the Revised
Code.

(D)(1) Except as otherwise provided in division (D)(3) of
this section, no charitable organization shall provide to a bingo
game operator, and no bingo game operator shall receive or accept,
any commission, wage, salary, reward, tip, donation, gratuity, or
other form of compensation, directly or indirectly, regardless of
the source, for conducting bingo or providing other work or labor
at the site of bingo during a bingo session.

(2) Except as otherwise provided in division (D)(3) of this
section, no charitable organization shall provide to a bingo game
operator any commission, wage, salary, reward, tip, donation,
gratuity, or other form of compensation, directly or indirectly,
regardless of the source, for conducting instant bingo other than
at a bingo session at the site of instant bingo other than at a
bingo session.

(3) Nothing in division (D) of this section prohibits an
employee of a fraternal organization, veteran's organization, or
sporting organization from selling instant bingo tickets or cards
to the organization's members or invited guests, as long as no
portion of the employee's compensation is paid from any receipts
of bingo.

(E) Notwithstanding division (B)(1) of this section, a
charitable organization that, prior to December 6, 1977, has
entered into written agreements for the lease of premises it owns
to another charitable organization or other charitable
organizations for the conducting of bingo sessions so that more
than two bingo sessions are conducted per calendar week on the
premises, and a person that is not a charitable organization and
that, prior to December 6, 1977, has entered into written

agreements for the lease of premises it owns to charitable 1370
organizations for the conducting of more than two bingo sessions 1371
per calendar week on the premises, may continue to lease the 1372
premises to those charitable organizations, provided that no more 1373
than four sessions are conducted per calendar week, that the 1374
lessor organization or person has notified the attorney general in 1375
writing of the organizations that will conduct the sessions and 1376
the days of the week and the times of the day on which the 1377
sessions will be conducted, that the initial lease entered into 1378
with each organization that will conduct the sessions was filed 1379
with the attorney general prior to December 6, 1977, and that each 1380
organization that will conduct the sessions was issued a license 1381
to conduct bingo games by the attorney general prior to December 1382
6, 1977. 1383

(F) This section does not prohibit a bingo licensed 1384
charitable organization or a game operator from giving any person 1385
an instant bingo ticket as a prize. 1386

(G) Whoever violates division (A)(2) of this section is 1387
guilty of illegally conducting a bingo game, a felony of the 1388
fourth degree. Except as otherwise provided in this division, 1389
whoever violates division (A)(1) or (3), (B)(1), (2), or (3), 1390
(C)(1) to (12), or (D) of this section is guilty of a minor 1391
misdemeanor. If the offender previously has been convicted of a 1392
violation of division (A)(1) or (3), (B)(1), (2), or (3), (C)(1) 1393
to (11), or (D) of this section, a violation of division (A)(1) or 1394
(3), (B)(1), (2), or (3), (C), or (D) of this section is a 1395
misdemeanor of the first degree. Whoever violates division (C)(12) 1396
of this section is guilty of a misdemeanor of the first degree, if 1397
the offender previously has been convicted of a violation of 1398
division (C)(12) of this section, a felony of the fourth degree. 1399

Sec. 2915.091. (A) No charitable organization that conducts 1400

instant bingo shall do any of the following: 1401

(1) Fail to comply with the requirements of divisions (A)(1), 1402
(2), and (3) of section 2915.09 of the Revised Code; 1403

(2) Conduct instant bingo unless either of the following 1404
applies: 1405

(a) That organization is, and has received from the internal 1406
revenue service a determination letter that is currently in effect 1407
stating that the organization is, exempt from federal income 1408
taxation under subsection 501(a), is described in subsection 1409
501(c)(3) of the Internal Revenue Code, is a charitable 1410
organization as defined in section 2915.01 of the Revised Code, is 1411
in good standing in the state pursuant to section 2915.08 of the 1412
Revised Code, and is in compliance with Chapter 1716. of the 1413
Revised Code; 1414

(b) That organization is, and has received from the internal 1415
revenue service a determination letter that is currently in effect 1416
stating that the organization is, exempt from federal income 1417
taxation under subsection 501(a), is described in subsection 1418
501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) or is a veteran's 1419
organization described in subsection 501(c)(4) of the Internal 1420
Revenue Code, and conducts instant bingo under section 2915.13 of 1421
the Revised Code. 1422

(3) Conduct instant bingo on any day, at any time, or at any 1423
premises not specified on the organization's license issued 1424
pursuant to section 2915.08 of the Revised Code; 1425

(4) Permit any person whom the organization knows or should 1426
have known has been convicted of a felony or gambling offense in 1427
any jurisdiction to be a bingo game operator in the conduct of 1428
instant bingo; 1429

(5) Purchase or lease supplies used to conduct instant bingo 1430

or punch board games from any person except a distributor licensed 1431
under section 2915.081 of the Revised Code; 1432

(6) Sell or provide any instant bingo ticket or card for a 1433
price different from the price printed on it by the manufacturer 1434
on either the instant bingo ticket or card or on the game flare; 1435

(7) Sell an instant bingo ticket or card to a person under 1436
eighteen years of age; 1437

(8) Fail to keep unsold instant bingo tickets or cards for 1438
less than three years; 1439

(9) Pay any compensation to a bingo game operator for 1440
conducting instant bingo that is conducted by the organization or 1441
for preparing, selling, or serving food or beverages at the site 1442
of the instant bingo game, permit any auxiliary unit or society of 1443
the organization to pay compensation to any bingo game operator 1444
who prepares, sells, or serves food or beverages at an instant 1445
bingo game conducted by the organization, or permit any auxiliary 1446
unit or society of the organization to prepare, sell, or serve 1447
food or beverages at an instant bingo game conducted by the 1448
organization, if the auxiliary unit or society pays any 1449
compensation to the bingo game operators who prepare, sell, or 1450
serve the food or beverages; 1451

(10) Pay fees to any person for any services performed in 1452
relation to an instant bingo game, except as provided in division 1453
(D) of section 2915.093 of the Revised Code; 1454

(11) Pay fees to any person who provides refreshments to the 1455
participants in an instant bingo game; 1456

(12)(a) Allow instant bingo tickets or cards to be sold to 1457
bingo game operators at a premises at which the organization sells 1458
instant bingo tickets or cards or to be sold to employees of a D 1459
permit holder who are working at a premises at which instant bingo 1460
tickets or cards are sold; 1461

(b) Division (A)(12)(a) of this section does not prohibit a licensed charitable organization or a bingo game operator from giving any person an instant bingo ticket as a prize in place of a cash prize won by a participant in an instant bingo game. In no case shall an instant bingo ticket or card be sold or provided for a price different from the price printed on it by the manufacturer on either the instant bingo ticket or card or on the game flare.

(13) Fail to display its bingo license, and the serial numbers of the deal of instant bingo tickets or cards to be sold, conspicuously at each premises at which it sells instant bingo tickets or cards;

(14) Possess a deal of instant bingo tickets or cards that was not purchased from a distributor licensed under section 2915.081 of the Revised Code as reflected on an invoice issued by the distributor that contains all of the information required by division (E) of section 2915.10 of the Revised Code;

(15) Fail, once it opens a deal of instant bingo tickets or cards, to continue to sell the tickets or cards in that deal until the tickets or cards with the top two highest tiers of prizes in that deal are sold;

(16) Possess bingo supplies that were not obtained in accordance with sections 2915.01 to 2915.13 of the Revised Code.

~~(B)(1) A charitable organization may conduct instant bingo other than at a bingo session at not more than five separate locations. A charitable organization that is exempt from federal taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code and that is created by a veteran's organization or a fraternal organization is not limited in the number of separate locations the charitable organization may conduct instant bingo other than at a bingo session.~~

~~(2) A charitable organization may purchase, lease, or use~~

instant bingo ticket dispensers to sell instant bingo tickets or 1493
cards. 1494

(C) The attorney general may adopt rules in accordance with 1495
Chapter 119. of the Revised Code that govern the conduct of 1496
instant bingo by charitable organizations. Before those rules are 1497
adopted, the attorney general shall reference the recommended 1498
standards for opacity, randomization, minimum information, winner 1499
protection, color, and cutting for instant bingo tickets or cards, 1500
seal cards, and punch boards established by the North American 1501
gaming regulators association. 1502

(D) Whoever violates division (A) of this section or a rule 1503
adopted under division (C) of this section is guilty of illegal 1504
instant bingo conduct. Except as otherwise provided in this 1505
division, illegal instant bingo conduct is a misdemeanor of the 1506
first degree. If the offender previously has been convicted of a 1507
violation of division (A) of this section or of such a rule, 1508
illegal instant bingo conduct is a felony of the fifth degree. 1509

Sec. 2915.092. (A)(1) Subject to division (A)(2) of this 1510
section, a charitable organization, a public school, a chartered 1511
nonpublic school, a community school, or a veteran's organization, 1512
fraternal organization, or sporting organization that is exempt 1513
from federal income taxation under subsection 501(a) and is 1514
described in subsection 501(c)(3), 501(c)(4), 501(c)(7), 1515
501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code 1516
may conduct a raffle to raise money for the organization or school 1517
and does not need a license to conduct bingo in order to conduct a 1518
raffle drawing that is not for profit. 1519

(2) If a charitable organization that is described in 1520
division (A)(1) of this section, but that is not also described in 1521
subsection 501(c)(3) of the Internal Revenue Code, conducts a 1522
raffle, the charitable organization shall distribute at least 1523

fifty per cent of the net profit from the raffle to a charitable
purpose described in division ~~(Z)~~(V) of section 2915.01 of the
Revised Code or to a department or agency of the federal
government, the state, or any political subdivision.

(B) Except as provided in division (A) or (B) of this
section, no person shall conduct a raffle drawing that is for
profit or a raffle drawing that is not for profit.

(C) Whoever violates division (B) of this section is guilty
of illegal conduct of a raffle. Except as otherwise provided in
this division, illegal conduct of a raffle is a misdemeanor of the
first degree. If the offender previously has been convicted of a
violation of division (B) of this section, illegal conduct of a
raffle is a felony of the fifth degree.

Sec. 2915.093. (A) As used in this section, "retail income
from all commercial activity" means the income that a person
receives from the provision of goods, services, or activities that
are provided at the location where instant bingo other than at a
bingo session is conducted, including the sale of instant bingo
tickets. A religious organization that is exempt from federal
income taxation under subsection 501(a) and described in
subsection 501(c)(3) of the Internal Revenue Code, at not more
than one location at which it conducts its charitable programs,
may include donations from its members and guests as retail
income.

~~(B) A charitable instant bingo organization may conduct
instant bingo other than at a bingo session at not more than five
separate locations.~~

~~(C)~~(1) If a charitable instant bingo organization conducts
instant bingo other than at a bingo session, the charitable
instant bingo organization shall enter into a written contract
with the owner or lessor of the location at which the instant

bingo is conducted to allow the owner or lessor to assist in the 1555
conduct of instant bingo other than at a bingo session, identify 1556
each location where the instant bingo other than at a bingo 1557
session is being conducted, and identify the owner or lessor of 1558
each location. 1559

(2) A charitable instant bingo organization that conducts 1560
instant bingo other than at a bingo session is not required to 1561
enter into a written contract with the owner or lessor of the 1562
location at which the instant bingo is conducted, provided that 1563
the owner or lessor is not assisting in the conduct of the instant 1564
bingo other than at a bingo session and provided that the conduct 1565
of the instant bingo other than at a bingo session at that 1566
location is not more than five days per calendar year and not more 1567
than ten hours per day. 1568

~~(D)~~(C) Except as provided in division ~~(G)~~(F) of this section, 1569
no charitable instant bingo organization shall conduct instant 1570
bingo other than at a bingo session at a location where the 1571
primary source of retail income from all commercial activity at 1572
that location is the sale of instant bingo tickets. 1573

~~(E)~~(D) The owner or lessor of a location that enters into a 1574
contract pursuant to division ~~(C)~~(B) of this section shall pay the 1575
full gross profit to the charitable instant bingo organization, in 1576
return for the deal of instant bingo tickets. The owner or lessor 1577
may retain the money that the owner or lessor receives for selling 1578
the instant bingo tickets, provided, however, that after the deal 1579
has been sold, the owner or lessor shall pay to the charitable 1580
instant bingo organization the value of any unredeemed instant 1581
bingo prizes remaining in the deal of instant bingo tickets. 1582

The charitable instant bingo organization shall pay six per 1583
cent of the total gross receipts of any deal of instant bingo 1584
tickets for the purpose of reimbursing the owner or lessor for 1585
expenses described in this division. 1586

As used in this division, "expenses" means those items 1587
provided for in divisions (GG)(4), (5), (6), (7), (8), (12), and 1588
(13) of section 2915.01 of the Revised Code and that percentage of 1589
the owner's or lessor's rent for the location where instant bingo 1590
is conducted. "Expenses," in the aggregate, shall not exceed six 1591
per cent of the total gross receipts of any deal of instant bingo 1592
tickets. 1593

As used in this division, "full gross profit" means the 1594
amount by which the total receipts of all instant bingo tickets, 1595
if the deal had been sold in full, exceeds the amount that would 1596
be paid out if all prizes were redeemed. 1597

~~(F)~~(E) A charitable instant bingo organization shall provide 1598
the attorney general with all of the following information: 1599

(1) That the charitable instant bingo organization has 1600
terminated a contract entered into pursuant to division ~~(C)~~(B) of 1601
this section with an owner or lessor of a location; 1602

(2) That the charitable instant bingo organization has 1603
entered into a written contract pursuant to division ~~(C)~~(B) of 1604
this section with a new owner or lessor of a location; 1605

(3) That the charitable instant bingo organization is aware 1606
of conduct by the owner or lessor of a location at which instant 1607
bingo is conducted that is in violation of this chapter. 1608

~~(G)~~(F) Division ~~(D)~~(C) of this section does not apply to a 1609
volunteer firefighter's organization that is exempt from federal 1610
income taxation under subsection 501(a) and described in 1611
subsection 501(c)(3) of the Internal Revenue Code, that conducts 1612
instant bingo other than at a bingo session on the premises where 1613
the organization conducts firefighter training, that has conducted 1614
instant bingo continuously for at least five years prior to July 1615
1, 2003, and that, during each of those five years, had gross 1616
receipts of at least one million five hundred thousand dollars. 1617

Sec. 2915.094. (A) No owner or lessor of a location shall 1618
assist a charitable instant bingo organization in the conduct of 1619
instant bingo other than at a bingo session at that location 1620
unless the owner or lessor has entered into a written contract, as 1621
described in ~~division (C)~~ of section 2915.093 of the Revised Code, 1622
with the charitable instant bingo organization to assist in the 1623
conduct of instant bingo other than at a bingo session. 1624

(B) The location of the lessor or owner shall be designated 1625
as a location where the charitable instant bingo organization 1626
conducts instant bingo other than at a bingo session. 1627

(C) No owner or lessor of a location that enters into a 1628
written contract as prescribed in division (A) of this section 1629
shall violate any provision of Chapter 2915. of the Revised Code, 1630
or permit, aid, or abet any other person in violating any 1631
provision of Chapter 2915. of the Revised Code. 1632

(D) No owner or lessor of a location that enters into a 1633
written contract as prescribed in division (A) of this section 1634
shall violate the terms of the contract. 1635

(E)(1) Whoever violates division (C) or (D) of this section 1636
is guilty of illegal instant bingo conduct. Except as otherwise 1637
provided in this division, illegal instant bingo conduct is a 1638
misdemeanor of the first degree. If the offender previously has 1639
been convicted of a violation of division (C) or (D) of this 1640
section, illegal instant bingo conduct is a felony of the fifth 1641
degree. 1642

(2) If an owner or lessor of a location knowingly, 1643
intentionally, or recklessly violates division (C) or (D) of this 1644
section, any license that the owner or lessor holds for the retail 1645
sale of any goods on the owner's or lessor's premises that is 1646
issued by the state or a political subdivision is subject to 1647
suspension, revocation, or payment of a monetary penalty at the 1648

request of the attorney general. 1649

Sec. 2915.10. (A) No charitable organization that conducts 1650
bingo or a game of chance pursuant to division (D) of section 1651
2915.02 of the Revised Code shall fail to maintain the following 1652
records for at least three years from the date on which the bingo 1653
or game of chance is conducted: 1654

(1) An itemized list of the gross receipts of each bingo 1655
session, each game of instant bingo by serial number, each raffle, 1656
each punch board game, and each game of chance, and an itemized 1657
list of the gross profits of each game of instant bingo by serial 1658
number; 1659

(2) An itemized list of all expenses, other than prizes, that 1660
are incurred in conducting bingo or instant bingo, the name of 1661
each person to whom the expenses are paid, and a receipt for all 1662
of the expenses; 1663

(3) A list of all prizes awarded during each bingo session, 1664
each raffle, each punch board game, and each game of chance 1665
conducted by the charitable organization, the total prizes awarded 1666
from each game of instant bingo by serial number, and the name, 1667
address, and social security number of all persons who are winners 1668
of prizes of six hundred dollars or more in value; 1669

(4) An itemized list of the recipients of the net profit of 1670
the bingo or game of chance, including the name and address of 1671
each recipient to whom the money is distributed, and if the 1672
organization uses the net profit of bingo, or the money or assets 1673
received from a game of chance, for any charitable or other 1674
purpose set forth in division ~~(Z)~~(V) of section 2915.01, division 1675
(D) of section 2915.02, or section 2915.101 of the Revised Code, a 1676
list of each purpose and an itemized list of each expenditure for 1677
each purpose; 1678

(5) The number of persons who participate in any bingo session or game of chance that is conducted by the charitable organization; 1679
1680
1681

(6) A list of receipts from the sale of food and beverages by the charitable organization or one of its auxiliary units or societies, if the receipts were excluded from gross receipts under division ~~(X)~~(T) of section 2915.01 of the Revised Code; 1682
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(7) An itemized list of all expenses incurred at each bingo session, each raffle, each punch board game, or each game of instant bingo conducted by the charitable organization in the sale of food and beverages by the charitable organization or by an auxiliary unit or society of the charitable organization, the name of each person to whom the expenses are paid, and a receipt for all of the expenses. 1686
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(B) A charitable organization shall keep the records that it is required to maintain pursuant to division (A) of this section at its principal place of business in this state or at its headquarters in this state and shall notify the attorney general of the location at which those records are kept. 1693
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(C) The gross profit from each bingo session or game described in division ~~(S)~~(O)(1) or (2) of section 2915.01 of the Revised Code shall be deposited into a checking account devoted exclusively to the bingo session or game. Payments for allowable expenses incurred in conducting the bingo session or game and payments to recipients of some or all of the net profit of the bingo session or game shall be made only by checks or electronic fund transfers drawn on the bingo session or game account. 1698
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(D) Each charitable organization shall conduct and record an inventory of all of its bingo supplies as of the first day of November of each year. 1706
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(E) The attorney general may adopt rules in accordance with 1709

Chapter 119. of the Revised Code that establish standards of 1710
accounting, record keeping, and reporting to ensure that gross 1711
receipts from bingo or games of chance are properly accounted for. 1712

(F) A distributor shall maintain, for a period of three years 1713
after the date of its sale or other provision, a record of each 1714
instance of its selling or otherwise providing to another person 1715
bingo supplies for use in this state. The record shall include all 1716
of the following for each instance: 1717

(1) The name of the manufacturer from which the distributor 1718
purchased the bingo supplies and the date of the purchase; 1719

(2) The name and address of the charitable organization or 1720
other distributor to which the bingo supplies were sold or 1721
otherwise provided; 1722

(3) A description that clearly identifies the bingo supplies; 1723

(4) Invoices that include the nonrepeating serial numbers of 1724
all paper bingo cards and sheets and all instant bingo deals sold 1725
or otherwise provided to each charitable organization. 1726

(G) A manufacturer shall maintain, for a period of three 1727
years after the date of its sale or other provision, a record of 1728
each instance of its selling or otherwise providing bingo supplies 1729
for use in this state. The record shall include all of the 1730
following for each instance: 1731

(1) The name and address of the distributor to whom the bingo 1732
supplies were sold or otherwise provided; 1733

(2) A description that clearly identifies the bingo supplies, 1734
including serial numbers; 1735

(3) Invoices that include the nonrepeating serial numbers of 1736
all paper bingo cards and sheets and all instant bingo deals sold 1737
or otherwise provided to each distributor. 1738

(H) The attorney general or any law enforcement agency may do 1739

| | |
|--|--|
| all of the following: | 1740 |
| (1) Investigate any charitable organization or any officer, agent, trustee, member, or employee of the organization; | 1741 1742 |
| (2) Examine the accounts and records of the organization; | 1743 |
| (3) Conduct inspections, audits, and observations of bingo or games of chance; | 1744 1745 |
| (4) Conduct inspections of the premises where bingo or games of chance are conducted; | 1746 1747 |
| (5) Take any other necessary and reasonable action to determine if a violation of any provision of sections 2915.01 to 2915.13 of the Revised Code has occurred and to determine whether section 2915.11 of the Revised Code has been complied with. | 1748 1749 1750 1751 |
| If any law enforcement agency has reasonable grounds to believe that a charitable organization or an officer, agent, trustee, member, or employee of the organization has violated any provision of this chapter, the law enforcement agency may proceed by action in the proper court to enforce this chapter, provided that the law enforcement agency shall give written notice to the attorney general when commencing an action as described in this division. | 1752 1753 1754 1755 1756 1757 1758 1759 |
| (I) No person shall destroy, alter, conceal, withhold, or deny access to any accounts or records of a charitable organization that have been requested for examination, or obstruct, impede, or interfere with any inspection, audit, or observation of bingo or a game of chance or premises where bingo or a game of chance is conducted, or refuse to comply with any reasonable request of, or obstruct, impede, or interfere with any other reasonable action undertaken by, the attorney general or a law enforcement agency pursuant to division (H) of this section. | 1760 1761 1762 1763 1764 1765 1766 1767 1768 |
| (J) Whoever violates division (A) or (I) of this section is | 1769 |

guilty of a misdemeanor of the first degree. 1770

Sec. 2915.101. Except as otherwise provided by law, a 1771
charitable organization that conducts instant bingo shall 1772
distribute the net profit from the proceeds of the sale of instant 1773
bingo as follows: 1774

(A)(1) If a veteran's organization, a fraternal organization, 1775
or a sporting organization conducted the instant bingo, the 1776
organization shall distribute the net profit from the proceeds of 1777
the sale of instant bingo, as follows: 1778

(a) For the first two hundred fifty thousand dollars, or a 1779
greater amount prescribed by the attorney general to adjust for 1780
changes in prices as measured by the consumer price index as 1781
defined in section 325.18 of the Revised Code and other factors 1782
affecting the organization's expenses, as defined in division 1783
~~(LL)~~(GG) of section 2915.01 of the Revised Code, or less of net 1784
profit from the proceeds of the sale of instant bingo generated in 1785
a calendar year: 1786

(i) At least twenty-five per cent shall be distributed to an 1787
organization described in division ~~(Z)~~(V)(1) of section 2915.01 of 1788
the Revised Code or to a department or agency of the federal 1789
government, the state, or any political subdivision. 1790

(ii) Not more than seventy-five per cent may be deducted and 1791
retained by the organization for reimbursement of or for the 1792
organization's expenses, as defined in division ~~(LL)~~(GG) of 1793
section 2915.01 of the Revised Code, in conducting the instant 1794
bingo game. 1795

(b) For any net profit from the proceeds of the sale of 1796
instant bingo of more than two hundred fifty thousand dollars or 1797
an adjusted amount generated in a calendar year: 1798

(i) A minimum of fifty per cent shall be distributed to an 1799

organization described in division ~~(Z)~~(V)(1) of section 2915.01 of 1800
the Revised Code or to a department or agency of the federal 1801
government, the state, or any political subdivision. 1802

(ii) Five per cent may be distributed for the organization's 1803
own charitable purposes or to a community action agency. 1804

(iii) Forty-five per cent may be deducted and retained by the 1805
organization for reimbursement of or for the organization's 1806
expenses, as defined in division ~~(LL)~~(GG) of section 2915.01 of 1807
the Revised Code, in conducting the instant bingo game. 1808

(2) If a veteran's organization, a fraternal organization, or 1809
a sporting organization does not distribute the full percentages 1810
specified in divisions (A)(1)(a) and (b) of this section for the 1811
purposes specified in those divisions, the organization shall 1812
distribute the balance of the net profit from the proceeds of the 1813
sale of instant bingo not distributed or retained for those 1814
purposes to an organization described in division ~~(Z)~~(V)(1) of 1815
section 2915.01 of the Revised Code. 1816

(B) If a charitable organization other than a veteran's 1817
organization, a fraternal organization, or a sporting organization 1818
conducted the instant bingo, the organization shall distribute one 1819
hundred per cent of the net profit from the proceeds of the sale 1820
of instant bingo to an organization described in division 1821
~~(Z)~~(V)(1) of section 2915.01 of the Revised Code or to a 1822
department or agency of the federal government, the state, or any 1823
political subdivision. 1824

(C) Nothing in this section prohibits a veteran's 1825
organization, a fraternal organization, or a sporting organization 1826
from distributing any net profit from the proceeds of the sale of 1827
instant bingo to an organization that is described in subsection 1828
501(c)(3) of the Internal Revenue Code when the organization that 1829
is described in subsection 501(c)(3) of the Internal Revenue Code 1830

is one that makes donations to other organizations and permits 1831
donors to advise or direct such donations so long as the donations 1832
comply with requirements established in or pursuant to subsection 1833
501(c)(3) of the Internal Revenue Code. 1834

Sec. 2915.12. (A) Sections 2915.07 to 2915.11 of the Revised 1835
Code do not apply to bingo games that are conducted for the 1836
purpose of amusement only. A bingo game is conducted for the 1837
purpose of amusement only if it complies with all of the 1838
requirements specified in either division (A)(1) or (2) of this 1839
section: 1840

(1)(a) The participants do not pay any money or any other 1841
thing of value including an admission fee, or any fee for bingo 1842
cards or sheets, objects to cover the spaces, or other devices 1843
used in playing bingo, for the privilege of participating in the 1844
bingo game, or to defray any costs of the game, or pay tips or 1845
make donations during or immediately before or after the bingo 1846
game. 1847

(b) All prizes awarded during the course of the game are 1848
nonmonetary, and in the form of merchandise, goods, or 1849
entitlements to goods or services only, and the total value of all 1850
prizes awarded during the game is less than one hundred dollars. 1851

(c) No commission, wages, salary, reward, tip, donation, 1852
gratuity, or other form of compensation, either directly or 1853
indirectly, and regardless of the source, is paid to any bingo 1854
game operator for work or labor performed at the site of the bingo 1855
game. 1856

(d) The bingo game is not conducted either during or within 1857
ten hours of any of the following: 1858

(i) A bingo session during which a charitable bingo game is 1859
conducted pursuant to sections 2915.07 to 2915.11 of the Revised 1860

Code; 1861

(ii) A scheme or game of chance, or bingo described in 1862
division ~~(S)~~(O)(2) of section 2915.01 of the Revised Code. 1863

(e) The number of players participating in the bingo game 1864
does not exceed fifty. 1865

(2)(a) The participants do not pay money or any other thing 1866
of value as an admission fee, and no participant is charged more 1867
than twenty-five cents to purchase a bingo card or sheet, objects 1868
to cover the spaces, or other devices used in playing bingo. 1869

(b) The total amount of money paid by all of the participants 1870
for bingo cards or sheets, objects to cover the spaces, or other 1871
devices used in playing bingo does not exceed one hundred dollars. 1872

(c) All of the money paid for bingo cards or sheets, objects 1873
to cover spaces, or other devices used in playing bingo is used 1874
only to pay winners monetary and nonmonetary prizes and to provide 1875
refreshments. 1876

(d) The total value of all prizes awarded during the game 1877
does not exceed one hundred dollars. 1878

(e) No commission, wages, salary, reward, tip, donation, 1879
gratuity, or other form of compensation, either directly or 1880
indirectly, and regardless of the source, is paid to any bingo 1881
game operator for work or labor performed at the site of the bingo 1882
game. 1883

(f) The bingo game is not conducted during or within ten 1884
hours of either of the following: 1885

(i) A bingo session during which a charitable bingo game is 1886
conducted pursuant to sections 2915.07 to 2915.11 of the Revised 1887
Code; 1888

(ii) A scheme of chance or game of chance, or bingo described 1889
in division ~~(S)~~(O)(2) of section 2915.01 of the Revised Code. 1890

(g) All of the participants reside at the premises where the bingo game is conducted. 1891
1892

(h) The bingo games are conducted on different days of the week and not more than twice in a calendar week. 1893
1894

(B) The attorney general or any local law enforcement agency may investigate the conduct of a bingo game that purportedly is conducted for purposes of amusement only if there is reason to believe that the purported amusement bingo game does not comply with the requirements of either division (A)(1) or (2) of this section. A local law enforcement agency may proceed by action in the proper court to enforce this section if the local law enforcement agency gives written notice to the attorney general when commencing the action. 1895
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Sec. 2923.31. As used in sections 2923.31 to 2923.36 of the Revised Code: 1904
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(A) "Beneficial interest" means any of the following: 1906

(1) The interest of a person as a beneficiary under a trust in which the trustee holds title to personal or real property; 1907
1908

(2) The interest of a person as a beneficiary under any other trust arrangement under which any other person holds title to personal or real property for the benefit of such person; 1909
1910
1911

(3) The interest of a person under any other form of express fiduciary arrangement under which any other person holds title to personal or real property for the benefit of such person. 1912
1913
1914

"Beneficial interest" does not include the interest of a stockholder in a corporation or the interest of a partner in either a general or limited partnership. 1915
1916
1917

(B) "Costs of investigation and prosecution" and "costs of investigation and litigation" mean all of the costs incurred by the state or a county or municipal corporation under sections 1918
1919
1920

2923.31 to 2923.36 of the Revised Code in the prosecution and 1921
investigation of any criminal action or in the litigation and 1922
investigation of any civil action, and includes, but is not 1923
limited to, the costs of resources and personnel. 1924

(C) "Enterprise" includes any individual, sole 1925
proprietorship, partnership, limited partnership, corporation, 1926
trust, union, government agency, or other legal entity, or any 1927
organization, association, or group of persons associated in fact 1928
although not a legal entity. "Enterprise" includes illicit as well 1929
as licit enterprises. 1930

(D) "Innocent person" includes any bona fide purchaser of 1931
property that is allegedly involved in a violation of section 1932
2923.32 of the Revised Code, including any person who establishes 1933
a valid claim to or interest in the property in accordance with 1934
division (E) of section 2981.04 of the Revised Code, and any 1935
victim of an alleged violation of that section or of any 1936
underlying offense involved in an alleged violation of that 1937
section. 1938

(E) "Pattern of corrupt activity" means two or more incidents 1939
of corrupt activity, whether or not there has been a prior 1940
conviction, that are related to the affairs of the same 1941
enterprise, are not isolated, and are not so closely related to 1942
each other and connected in time and place that they constitute a 1943
single event. 1944

At least one of the incidents forming the pattern shall occur 1945
on or after January 1, 1986. Unless any incident was an aggravated 1946
murder or murder, the last of the incidents forming the pattern 1947
shall occur within six years after the commission of any prior 1948
incident forming the pattern, excluding any period of imprisonment 1949
served by any person engaging in the corrupt activity. 1950

For the purposes of the criminal penalties that may be 1951

imposed pursuant to section 2923.32 of the Revised Code, at least 1952
one of the incidents forming the pattern shall constitute a felony 1953
under the laws of this state in existence at the time it was 1954
committed or, if committed in violation of the laws of the United 1955
States or of any other state, shall constitute a felony under the 1956
law of the United States or the other state and would be a 1957
criminal offense under the law of this state if committed in this 1958
state. 1959

(F) "Pecuniary value" means money, a negotiable instrument, a 1960
commercial interest, or anything of value, as defined in section 1961
1.03 of the Revised Code, or any other property or service that 1962
has a value in excess of one hundred dollars. 1963

(G) "Person" means any person, as defined in section 1.59 of 1964
the Revised Code, and any governmental officer, employee, or 1965
entity. 1966

(H) "Personal property" means any personal property, any 1967
interest in personal property, or any right, including, but not 1968
limited to, bank accounts, debts, corporate stocks, patents, or 1969
copyrights. Personal property and any beneficial interest in 1970
personal property are deemed to be located where the trustee of 1971
the property, the personal property, or the instrument evidencing 1972
the right is located. 1973

(I) "Corrupt activity" means engaging in, attempting to 1974
engage in, conspiring to engage in, or soliciting, coercing, or 1975
intimidating another person to engage in any of the following: 1976

(1) Conduct defined as "racketeering activity" under the 1977
"Organized Crime Control Act of 1970," 84 Stat. 941, 18 U.S.C. 1978
1961(1)(B), (1)(C), (1)(D), and (1)(E), as amended; 1979

(2) Conduct constituting any of the following: 1980

(a) A violation of section 1315.55, 1322.02, 2903.01, 1981
2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2905.01, 2905.02, 1982

2905.11, 2905.22, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 1983
2909.22, 2909.23, 2909.24, 2909.26, 2909.27, 2909.28, 2909.29, 1984
2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2911.31, 2913.05, 1985
2913.06, 2921.02, 2921.03, 2921.04, 2921.11, 2921.12, 2921.32, 1986
2921.41, 2921.42, 2921.43, 2923.12, or 2923.17; division 1987
(F)(1)(a), (b), or (c) of section 1315.53; division (A)(1) or (2) 1988
of section 1707.042; division (B), (C)(4), (D), (E), or (F) of 1989
section 1707.44; division (A)(1) or (2) of section 2923.20; 1990
division (E) or (G) of section 3772.99; division (J)(1) of section 1991
4712.02; section 4719.02, 4719.05, or 4719.06; division (C), (D), 1992
or (E) of section 4719.07; section 4719.08; or division (A) of 1993
section 4719.09 of the Revised Code. 1994

(b) Any violation of section 3769.11, 3769.15, 3769.16, or 1995
3769.19 of the Revised Code as it existed prior to July 1, 1996, 1996
any violation of section 2915.02 of the Revised Code that occurs 1997
on or after July 1, 1996, and that, had it occurred prior to that 1998
date, would have been a violation of section 3769.11 of the 1999
Revised Code as it existed prior to that date, or any violation of 2000
section 2915.05 of the Revised Code that occurs on or after July 2001
1, 1996, and that, had it occurred prior to that date, would have 2002
been a violation of section 3769.15, 3769.16, or 3769.19 of the 2003
Revised Code as it existed prior to that date. 2004

(c) Any violation of section 2907.21, 2907.22, 2907.31, 2005
2913.02, 2913.11, 2913.21, 2913.31, 2913.32, 2913.34, 2913.42, 2006
2913.47, 2913.51, 2915.03, 2925.03, 2925.04, 2925.05, or 2925.37 2007
of the Revised Code, any violation of section 2925.11 of the 2008
Revised Code that is a felony of the first, second, third, or 2009
fourth degree and that occurs on or after July 1, 1996, any 2010
violation of section 2915.02 of the Revised Code that occurred 2011
prior to July 1, 1996, any violation of section 2915.02 of the 2012
Revised Code that occurs on or after July 1, 1996, and that, had 2013
it occurred prior to that date, would not have been a violation of 2014

section 3769.11 of the Revised Code as it existed prior to that 2015
date, any violation of section 2915.06 of the Revised Code as it 2016
existed prior to July 1, 1996, or any violation of division (B) of 2017
section 2915.05 of the Revised Code as it exists on and after July 2018
1, 1996, when the proceeds of the violation, the payments made in 2019
the violation, the amount of a claim for payment or for any other 2020
benefit that is false or deceptive and that is involved in the 2021
violation, or the value of the contraband or other property 2022
illegally possessed, sold, or purchased in the violation exceeds 2023
one thousand dollars, or any combination of violations described 2024
in division (I)(2)(c) of this section when the total proceeds of 2025
the combination of violations, payments made in the combination of 2026
violations, amount of the claims for payment or for other benefits 2027
that is false or deceptive and that is involved in the combination 2028
of violations, or value of the contraband or other property 2029
illegally possessed, sold, or purchased in the combination of 2030
violations exceeds one thousand dollars; 2031

(d) Any violation of section 5743.112 of the Revised Code 2032
when the amount of unpaid tax exceeds one hundred dollars; 2033

(e) Any violation or combination of violations of section 2034
2907.32 of the Revised Code involving any material or performance 2035
containing a display of bestiality or of sexual conduct, as 2036
defined in section 2907.01 of the Revised Code, that is explicit 2037
and depicted with clearly visible penetration of the genitals or 2038
clearly visible penetration by the penis of any orifice when the 2039
total proceeds of the violation or combination of violations, the 2040
payments made in the violation or combination of violations, or 2041
the value of the contraband or other property illegally possessed, 2042
sold, or purchased in the violation or combination of violations 2043
exceeds one thousand dollars; 2044

(f) Any combination of violations described in division 2045
(I)(2)(c) of this section and violations of section 2907.32 of the 2046

Revised Code involving any material or performance containing a 2047
display of bestiality or of sexual conduct, as defined in section 2048
2907.01 of the Revised Code, that is explicit and depicted with 2049
clearly visible penetration of the genitals or clearly visible 2050
penetration by the penis of any orifice when the total proceeds of 2051
the combination of violations, payments made in the combination of 2052
violations, amount of the claims for payment or for other benefits 2053
that is false or deceptive and that is involved in the combination 2054
of violations, or value of the contraband or other property 2055
illegally possessed, sold, or purchased in the combination of 2056
violations exceeds one thousand dollars; 2057

(g) Any violation of section 2905.32 of the Revised Code to 2058
the extent the violation is not based solely on the same conduct 2059
that constitutes corrupt activity pursuant to division (I)(2)(c) 2060
of this section due to the conduct being in violation of section 2061
2907.21 of the Revised Code. 2062

(3) Conduct constituting a violation of any law of any state 2063
other than this state that is substantially similar to the conduct 2064
described in division (I)(2) of this section, provided the 2065
defendant was convicted of the conduct in a criminal proceeding in 2066
the other state; 2067

(4) Animal or ecological terrorism; 2068

(5)(a) Conduct constituting any of the following: 2069

(i) Organized retail theft; 2070

(ii) Conduct that constitutes one or more violations of any 2071
law of any state other than this state, that is substantially 2072
similar to organized retail theft, and that if committed in this 2073
state would be organized retail theft, if the defendant was 2074
convicted of or pleaded guilty to the conduct in a criminal 2075
proceeding in the other state. 2076

(b) By enacting division (I)(5)(a) of this section, it is the 2077

intent of the general assembly to add organized retail theft and 2078
the conduct described in division (I)(5)(a)(ii) of this section as 2079
conduct constituting corrupt activity. The enactment of division 2080
(I)(5)(a) of this section and the addition by division (I)(5)(a) 2081
of this section of organized retail theft and the conduct 2082
described in division (I)(5)(a)(ii) of this section as conduct 2083
constituting corrupt activity does not limit or preclude, and 2084
shall not be construed as limiting or precluding, any prosecution 2085
for a violation of section 2923.32 of the Revised Code that is 2086
based on one or more violations of section 2913.02 or 2913.51 of 2087
the Revised Code, one or more similar offenses under the laws of 2088
this state or any other state, or any combination of any of those 2089
violations or similar offenses, even though the conduct 2090
constituting the basis for those violations or offenses could be 2091
construed as also constituting organized retail theft or conduct 2092
of the type described in division (I)(5)(a)(ii) of this section. 2093

(J) "Real property" means any real property or any interest 2094
in real property, including, but not limited to, any lease of, or 2095
mortgage upon, real property. Real property and any beneficial 2096
interest in it is deemed to be located where the real property is 2097
located. 2098

(K) "Trustee" means any of the following: 2099

(1) Any person acting as trustee under a trust in which the 2100
trustee holds title to personal or real property; 2101

(2) Any person who holds title to personal or real property 2102
for which any other person has a beneficial interest; 2103

(3) Any successor trustee. 2104

"Trustee" does not include an assignee or trustee for an 2105
insolvent debtor or an executor, administrator, administrator with 2106
the will annexed, testamentary trustee, guardian, or committee, 2107
appointed by, under the control of, or accountable to a court. 2108

(L) "Unlawful debt" means any money or other thing of value 2109
constituting principal or interest of a debt that is legally 2110
unenforceable in this state in whole or in part because the debt 2111
was incurred or contracted in violation of any federal or state 2112
law relating to the business of gambling activity or relating to 2113
the business of lending money at an usurious rate unless the 2114
creditor proves, by a preponderance of the evidence, that the 2115
usurious rate was not intentionally set and that it resulted from 2116
a good faith error by the creditor, notwithstanding the 2117
maintenance of procedures that were adopted by the creditor to 2118
avoid an error of that nature. 2119

(M) "Animal activity" means any activity that involves the 2120
use of animals or animal parts, including, but not limited to, 2121
hunting, fishing, trapping, traveling, camping, the production, 2122
preparation, or processing of food or food products, clothing or 2123
garment manufacturing, medical research, other research, 2124
entertainment, recreation, agriculture, biotechnology, or service 2125
activity that involves the use of animals or animal parts. 2126

(N) "Animal facility" means a vehicle, building, structure, 2127
nature preserve, or other premises in which an animal is lawfully 2128
kept, handled, housed, exhibited, bred, or offered for sale, 2129
including, but not limited to, a zoo, rodeo, circus, amusement 2130
park, hunting preserve, or premises in which a horse or dog event 2131
is held. 2132

(O) "Animal or ecological terrorism" means the commission of 2133
any felony that involves causing or creating a substantial risk of 2134
physical harm to any property of another, the use of a deadly 2135
weapon or dangerous ordnance, or purposely, knowingly, or 2136
recklessly causing serious physical harm to property and that 2137
involves an intent to obstruct, impede, or deter any person from 2138
participating in a lawful animal activity, from mining, foresting, 2139
harvesting, gathering, or processing natural resources, or from 2140

being lawfully present in or on an animal facility or research 2141
facility. 2142

(P) "Research facility" means a place, laboratory, 2143
institution, medical care facility, government facility, or public 2144
or private educational institution in which a scientific test, 2145
experiment, or investigation involving the use of animals or other 2146
living organisms is lawfully carried out, conducted, or attempted. 2147

(Q) "Organized retail theft" means the theft of retail 2148
property with a retail value of one thousand dollars or more from 2149
one or more retail establishments with the intent to sell, 2150
deliver, or transfer that property to a retail property fence. 2151

(R) "Retail property" means any tangible personal property 2152
displayed, held, stored, or offered for sale in or by a retail 2153
establishment. 2154

(S) "Retail property fence" means a person who possesses, 2155
procures, receives, or conceals retail property that was 2156
represented to the person as being stolen or that the person knows 2157
or believes to be stolen. 2158

(T) "Retail value" means the full retail value of the retail 2159
property. In determining whether the retail value of retail 2160
property equals or exceeds one thousand dollars, the value of all 2161
retail property stolen from the retail establishment or retail 2162
establishments by the same person or persons within any 2163
one-hundred-eighty-day period shall be aggregated. 2164

Sec. 2933.51. As used in sections 2933.51 to 2933.66 of the 2165
Revised Code: 2166

(A) "Wire communication" means an aural transfer that is made 2167
in whole or in part through the use of facilities for the 2168
transmission of communications by the aid of wires or similar 2169
methods of connecting the point of origin of the communication and 2170

the point of reception of the communication, including the use of 2171
a method of connecting the point of origin and the point of 2172
reception of the communication in a switching station, if the 2173
facilities are furnished or operated by a person engaged in 2174
providing or operating the facilities for the transmission of 2175
communications. "Wire communication" includes an electronic 2176
storage of a wire communication. 2177

(B) "Oral communication" means an oral communication uttered 2178
by a person exhibiting an expectation that the communication is 2179
not subject to interception under circumstances justifying that 2180
expectation. "Oral communication" does not include an electronic 2181
communication. 2182

(C) "Intercept" means the aural or other acquisition of the 2183
contents of any wire, oral, or electronic communication through 2184
the use of an interception device. 2185

(D) "Interception device" means an electronic, mechanical, or 2186
other device or apparatus that can be used to intercept a wire, 2187
oral, or electronic communication. "Interception device" does not 2188
mean any of the following: 2189

(1) A telephone or telegraph instrument, equipment, or 2190
facility, or any of its components, if the instrument, equipment, 2191
facility, or component is any of the following: 2192

(a) Furnished to the subscriber or user by a provider of wire 2193
or electronic communication service in the ordinary course of its 2194
business and being used by the subscriber or user in the ordinary 2195
course of its business; 2196

(b) Furnished by a subscriber or user for connection to the 2197
facilities of a provider of wire or electronic communication 2198
service and used in the ordinary course of that subscriber's or 2199
user's business; 2200

(c) Being used by a provider of wire or electronic 2201

communication service in the ordinary course of its business or by 2202
an investigative or law enforcement officer in the ordinary course 2203
of the officer's duties that do not involve the interception of 2204
wire, oral, or electronic communications. 2205

(2) A hearing aid or similar device being used to correct 2206
subnormal hearing to not better than normal. 2207

(E) "Investigative officer" means any of the following: 2208

(1) An officer of this state or a political subdivision of 2209
this state, who is empowered by law to conduct investigations or 2210
to make arrests for a designated offense; 2211

(2) A person described in divisions (A)(11)(a) and (b) of 2212
section 2901.01 of the Revised Code; 2213

(3) An attorney authorized by law to prosecute or participate 2214
in the prosecution of a designated offense; 2215

(4) A secret service officer appointed pursuant to section 2216
309.07 of the Revised Code; 2217

(5) An officer of the United States, a state, or a political 2218
subdivision of a state who is authorized to conduct investigations 2219
pursuant to the "Electronic Communications Privacy Act of 1986," 2220
100 Stat. 1848-1857, 18 U.S.C. 2510-2521 (1986), as amended. 2221

(F) "Interception warrant" means a court order that 2222
authorizes the interception of wire, oral, or electronic 2223
communications and that is issued pursuant to sections 2933.53 to 2224
2933.56 of the Revised Code. 2225

(G) "Contents," when used with respect to a wire, oral, or 2226
electronic communication, includes any information concerning the 2227
substance, purport, or meaning of the communication. 2228

(H) "Communications common carrier" means a person who is 2229
engaged as a common carrier for hire in intrastate, interstate, or 2230
foreign communications by wire, radio, or radio transmission of 2231

energy. "Communications common carrier" does not include, to the extent that the person is engaged in radio broadcasting, a person engaged in radio broadcasting.

(I) "Designated offense" means any of the following:

(1) A felony violation of section 1315.53, 1315.55, 2903.01, 2903.02, 2903.11, 2905.01, 2905.02, 2905.11, 2905.22, 2905.32, 2907.02, 2907.21, 2907.22, 2909.02, 2909.03, 2909.04, 2909.22, 2909.23, 2909.24, 2909.26, 2909.27, 2909.28, 2909.29, 2911.01, 2911.02, 2911.11, 2911.12, 2913.02, 2913.04, 2913.42, 2913.51, 2915.02, 2915.03, 2917.01, 2917.02, 2921.02, 2921.03, 2921.04, 2921.32, 2921.34, 2923.20, 2923.32, 2925.03, 2925.04, 2925.05, or 2925.06 or of division (B) of section 2915.05 or of division (E) or (G) of section 3772.99 of the Revised Code;

(2) A violation of section 2919.23 of the Revised Code that, had it occurred prior to July 1, 1996, would have been a violation of section 2905.04 of the Revised Code as it existed prior to that date;

(3) A felony violation of section 2925.11 of the Revised Code that is not a minor drug possession offense, as defined in section 2925.01 of the Revised Code;

(4) Complicity in the commission of a felony violation of a section listed in division (I)(1), (2), or (3) of this section;

(5) An attempt to commit, or conspiracy in the commission of, a felony violation of a section listed in division (I)(1), (2), or (3) of this section, if the attempt or conspiracy is punishable by a term of imprisonment of more than one year.

(J) "Aggrieved person" means a person who was a party to an intercepted wire, oral, or electronic communication or a person against whom the interception of the communication was directed.

(K) "Person" means a person, as defined in section 1.59 of

the Revised Code, or a governmental officer, employee, or entity. 2262

(L) "Special need" means a showing that a licensed physician, 2263
licensed practicing psychologist, attorney, practicing cleric, 2264
journalist, or either spouse is personally engaging in continuing 2265
criminal activity, was engaged in continuing criminal activity 2266
over a period of time, or is committing, has committed, or is 2267
about to commit, a designated offense, or a showing that specified 2268
public facilities are being regularly used by someone who is 2269
personally engaging in continuing criminal activity, was engaged 2270
in continuing criminal activity over a period of time, or is 2271
committing, has committed, or is about to commit, a designated 2272
offense. 2273

(M) "Journalist" means a person engaged in, connected with, 2274
or employed by, any news media, including a newspaper, magazine, 2275
press association, news agency, or wire service, a radio or 2276
television station, or a similar media, for the purpose of 2277
gathering, processing, transmitting, compiling, editing, or 2278
disseminating news for the general public. 2279

(N) "Electronic communication" means a transfer of a sign, 2280
signal, writing, image, sound, datum, or intelligence of any 2281
nature that is transmitted in whole or in part by a wire, radio, 2282
electromagnetic, photoelectronic, or photo-optical system. 2283

"Electronic communication" does not mean any of the following: 2284

(1) A wire or oral communication; 2285

(2) A communication made through a tone-only paging device; 2286

(3) A communication from an electronic or mechanical tracking 2287
device that permits the tracking of the movement of a person or 2288
object. 2289

(O) "User" means a person or entity that uses an electronic 2290
communication service and is duly authorized by the provider of 2291
the service to engage in the use of the electronic communication 2292

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| service. | 2293 |
| (P) "Electronic communications system" means a wire, radio, | 2294 |
| electromagnetic, photoelectronic, or photo-optical facility for | 2295 |
| the transmission of electronic communications, and a computer | 2296 |
| facility or related electronic equipment for the electronic | 2297 |
| storage of electronic communications. | 2298 |
| (Q) "Electronic communication service" means a service that | 2299 |
| provides to users of the service the ability to send or receive | 2300 |
| wire or electronic communications. | 2301 |
| (R) "Readily accessible to the general public" means, with | 2302 |
| respect to a radio communication, that the communication is none | 2303 |
| of the following: | 2304 |
| (1) Scrambled or encrypted; | 2305 |
| (2) Transmitted using a modulation technique, the essential | 2306 |
| parameters of which have been withheld from the public with the | 2307 |
| intention of preserving the privacy of the communication; | 2308 |
| (3) Carried on a subcarrier or other signal subsidiary to a | 2309 |
| radio transmission; | 2310 |
| (4) Transmitted over a communications system provided by a | 2311 |
| communications common carrier, unless the communication is a | 2312 |
| tone-only paging system communication; | 2313 |
| (5) Transmitted on a frequency allocated under part 25, | 2314 |
| subpart D, E, or F of part 74, or part 94 of the Rules of the | 2315 |
| Federal Communications Commission, as those provisions existed on | 2316 |
| July 1, 1996, unless, in the case of a communication transmitted | 2317 |
| on a frequency allocated under part 74 that is not exclusively | 2318 |
| allocated to broadcast auxiliary services, the communication is a | 2319 |
| two-way voice communication by radio. | 2320 |
| (S) "Electronic storage" means a temporary, intermediate | 2321 |
| storage of a wire or electronic communication that is incidental | 2322 |

to the electronic transmission of the communication, and a storage 2323
of a wire or electronic communication by an electronic 2324
communication service for the purpose of backup protection of the 2325
communication. 2326

(T) "Aural transfer" means a transfer containing the human 2327
voice at a point between and including the point of origin and the 2328
point of reception. 2329

(U) "Pen register" means a device that records or decodes 2330
electronic impulses that identify the numbers dialed, pulsed, or 2331
otherwise transmitted on telephone lines to which the device is 2332
attached. 2333

(V) "Trap and trace device" means a device that captures the 2334
incoming electronic or other impulses that identify the 2335
originating number of an instrument or device from which a wire 2336
communication or electronic communication was transmitted but that 2337
does not intercept the contents of the wire communication or 2338
electronic communication. 2339

(W) "Judge of a court of common pleas" means a judge of that 2340
court who is elected or appointed as a judge of general 2341
jurisdiction or as a judge who exercises both general jurisdiction 2342
and probate, domestic relations, or juvenile jurisdiction. "Judge 2343
of a court of common pleas" does not mean a judge of that court 2344
who is elected or appointed specifically as a probate, domestic 2345
relations, or juvenile judge. 2346

Sec. 3301.0714. (A) The state board of education shall adopt 2347
rules for a statewide education management information system. The 2348
rules shall require the state board to establish guidelines for 2349
the establishment and maintenance of the system in accordance with 2350
this section and the rules adopted under this section. The 2351
guidelines shall include: 2352

(1) Standards identifying and defining the types of data in the system in accordance with divisions (B) and (C) of this section;

(2) Procedures for annually collecting and reporting the data to the state board in accordance with division (D) of this section;

(3) Procedures for annually compiling the data in accordance with division (G) of this section;

(4) Procedures for annually reporting the data to the public in accordance with division (H) of this section.

(B) The guidelines adopted under this section shall require the data maintained in the education management information system to include at least the following:

(1) Student participation and performance data, for each grade in each school district as a whole and for each grade in each school building in each school district, that includes:

(a) The numbers of students receiving each category of instructional service offered by the school district, such as regular education instruction, vocational education instruction, specialized instruction programs or enrichment instruction that is part of the educational curriculum, instruction for gifted students, instruction for students with disabilities, and remedial instruction. The guidelines shall require instructional services under this division to be divided into discrete categories if an instructional service is limited to a specific subject, a specific type of student, or both, such as regular instructional services in mathematics, remedial reading instructional services, instructional services specifically for students gifted in mathematics or some other subject area, or instructional services for students with a specific type of disability. The categories of instructional services required by the guidelines under this

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| division shall be the same as the categories of instructional | 2384 |
| services used in determining cost units pursuant to division | 2385 |
| (C)(3) of this section. | 2386 |
| (b) The numbers of students receiving support or | 2387 |
| extracurricular services for each of the support services or | 2388 |
| extracurricular programs offered by the school district, such as | 2389 |
| counseling services, health services, and extracurricular sports | 2390 |
| and fine arts programs. The categories of services required by the | 2391 |
| guidelines under this division shall be the same as the categories | 2392 |
| of services used in determining cost units pursuant to division | 2393 |
| (C)(4)(a) of this section. | 2394 |
| (c) Average student grades in each subject in grades nine | 2395 |
| through twelve; | 2396 |
| (d) Academic achievement levels as assessed under sections | 2397 |
| 3301.0710, 3301.0711, and 3301.0712 of the Revised Code; | 2398 |
| (e) The number of students designated as having a disabling | 2399 |
| condition pursuant to division (C)(1) of section 3301.0711 of the | 2400 |
| Revised Code; | 2401 |
| (f) The numbers of students reported to the state board | 2402 |
| pursuant to division (C)(2) of section 3301.0711 of the Revised | 2403 |
| Code; | 2404 |
| (g) Attendance rates and the average daily attendance for the | 2405 |
| year. For purposes of this division, a student shall be counted as | 2406 |
| present for any field trip that is approved by the school | 2407 |
| administration. | 2408 |
| (h) Expulsion rates; | 2409 |
| (i) Suspension rates; | 2410 |
| (j) Dropout rates; | 2411 |
| (k) Rates of retention in grade; | 2412 |
| (l) For pupils in grades nine through twelve, the average | 2413 |

number of carnegie units, as calculated in accordance with state board of education rules;

(m) Graduation rates, to be calculated in a manner specified by the department of education that reflects the rate at which students who were in the ninth grade three years prior to the current year complete school and that is consistent with nationally accepted reporting requirements;

(n) Results of diagnostic assessments administered to kindergarten students as required under section 3301.0715 of the Revised Code to permit a comparison of the academic readiness of kindergarten students. However, no district shall be required to report to the department the results of any diagnostic assessment administered to a kindergarten student if the parent of that student requests the district not to report those results.

(2) Personnel and classroom enrollment data for each school district, including:

(a) The total numbers of licensed employees and nonlicensed employees and the numbers of full-time equivalent licensed employees and nonlicensed employees providing each category of instructional service, instructional support service, and administrative support service used pursuant to division (C)(3) of this section. The guidelines adopted under this section shall require these categories of data to be maintained for the school district as a whole and, wherever applicable, for each grade in the school district as a whole, for each school building as a whole, and for each grade in each school building.

(b) The total number of employees and the number of full-time equivalent employees providing each category of service used pursuant to divisions (C)(4)(a) and (b) of this section, and the total numbers of licensed employees and nonlicensed employees and the numbers of full-time equivalent licensed employees and

nonlicensed employees providing each category used pursuant to 2445
division (C)(4)(c) of this section. The guidelines adopted under 2446
this section shall require these categories of data to be 2447
maintained for the school district as a whole and, wherever 2448
applicable, for each grade in the school district as a whole, for 2449
each school building as a whole, and for each grade in each school 2450
building. 2451

(c) The total number of regular classroom teachers teaching 2452
classes of regular education and the average number of pupils 2453
enrolled in each such class, in each of grades kindergarten 2454
through five in the district as a whole and in each school 2455
building in the school district. 2456

(d) The number of lead teachers employed by each school 2457
district and each school building. 2458

(3)(a) Student demographic data for each school district, 2459
including information regarding the gender ratio of the school 2460
district's pupils, the racial make-up of the school district's 2461
pupils, the number of limited English proficient students in the 2462
district, and an appropriate measure of the number of the school 2463
district's pupils who reside in economically disadvantaged 2464
households. The demographic data shall be collected in a manner to 2465
allow correlation with data collected under division (B)(1) of 2466
this section. Categories for data collected pursuant to division 2467
(B)(3) of this section shall conform, where appropriate, to 2468
standard practices of agencies of the federal government. 2469

(b) With respect to each student entering kindergarten, 2470
whether the student previously participated in a public preschool 2471
program, a private preschool program, or a head start program, and 2472
the number of years the student participated in each of these 2473
programs. 2474

(4) Any data required to be collected pursuant to federal 2475

law. 2476

(C) The education management information system shall include 2477
cost accounting data for each district as a whole and for each 2478
school building in each school district. The guidelines adopted 2479
under this section shall require the cost data for each school 2480
district to be maintained in a system of mutually exclusive cost 2481
units and shall require all of the costs of each school district 2482
to be divided among the cost units. The guidelines shall require 2483
the system of mutually exclusive cost units to include at least 2484
the following: 2485

(1) Administrative costs for the school district as a whole. 2486
The guidelines shall require the cost units under this division 2487
(C)(1) to be designed so that each of them may be compiled and 2488
reported in terms of average expenditure per pupil in formula ADM 2489
in the school district, as determined pursuant to section 3317.03 2490
of the Revised Code. 2491

(2) Administrative costs for each school building in the 2492
school district. The guidelines shall require the cost units under 2493
this division (C)(2) to be designed so that each of them may be 2494
compiled and reported in terms of average expenditure per 2495
full-time equivalent pupil receiving instructional or support 2496
services in each building. 2497

(3) Instructional services costs for each category of 2498
instructional service provided directly to students and required 2499
by guidelines adopted pursuant to division (B)(1)(a) of this 2500
section. The guidelines shall require the cost units under 2501
division (C)(3) of this section to be designed so that each of 2502
them may be compiled and reported in terms of average expenditure 2503
per pupil receiving the service in the school district as a whole 2504
and average expenditure per pupil receiving the service in each 2505
building in the school district and in terms of a total cost for 2506
each category of service and, as a breakdown of the total cost, a 2507

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| cost for each of the following components: | 2508 |
| (a) The cost of each instructional services category required | 2509 |
| by guidelines adopted under division (B)(1)(a) of this section | 2510 |
| that is provided directly to students by a classroom teacher; | 2511 |
| (b) The cost of the instructional support services, such as | 2512 |
| services provided by a speech-language pathologist, classroom | 2513 |
| aide, multimedia aide, or librarian, provided directly to students | 2514 |
| in conjunction with each instructional services category; | 2515 |
| (c) The cost of the administrative support services related | 2516 |
| to each instructional services category, such as the cost of | 2517 |
| personnel that develop the curriculum for the instructional | 2518 |
| services category and the cost of personnel supervising or | 2519 |
| coordinating the delivery of the instructional services category. | 2520 |
| (4) Support or extracurricular services costs for each | 2521 |
| category of service directly provided to students and required by | 2522 |
| guidelines adopted pursuant to division (B)(1)(b) of this section. | 2523 |
| The guidelines shall require the cost units under division (C)(4) | 2524 |
| of this section to be designed so that each of them may be | 2525 |
| compiled and reported in terms of average expenditure per pupil | 2526 |
| receiving the service in the school district as a whole and | 2527 |
| average expenditure per pupil receiving the service in each | 2528 |
| building in the school district and in terms of a total cost for | 2529 |
| each category of service and, as a breakdown of the total cost, a | 2530 |
| cost for each of the following components: | 2531 |
| (a) The cost of each support or extracurricular services | 2532 |
| category required by guidelines adopted under division (B)(1)(b) | 2533 |
| of this section that is provided directly to students by a | 2534 |
| licensed employee, such as services provided by a guidance | 2535 |
| counselor or any services provided by a licensed employee under a | 2536 |
| supplemental contract; | 2537 |
| (b) The cost of each such services category provided directly | 2538 |

to students by a nonlicensed employee, such as janitorial 2539
services, cafeteria services, or services of a sports trainer; 2540

(c) The cost of the administrative services related to each 2541
services category in division (C)(4)(a) or (b) of this section, 2542
such as the cost of any licensed or nonlicensed employees that 2543
develop, supervise, coordinate, or otherwise are involved in 2544
administering or aiding the delivery of each services category. 2545

(D)(1) The guidelines adopted under this section shall 2546
require school districts to collect information about individual 2547
students, staff members, or both in connection with any data 2548
required by division (B) or (C) of this section or other reporting 2549
requirements established in the Revised Code. The guidelines may 2550
also require school districts to report information about 2551
individual staff members in connection with any data required by 2552
division (B) or (C) of this section or other reporting 2553
requirements established in the Revised Code. The guidelines shall 2554
not authorize school districts to request social security numbers 2555
of individual students. The guidelines shall prohibit the 2556
reporting under this section of a student's name, address, and 2557
social security number to the state board of education or the 2558
department of education. The guidelines shall also prohibit the 2559
reporting under this section of any personally identifiable 2560
information about any student, except for the purpose of assigning 2561
the data verification code required by division (D)(2) of this 2562
section, to any other person unless such person is employed by the 2563
school district or the information technology center operated 2564
under section 3301.075 of the Revised Code and is authorized by 2565
the district or technology center to have access to such 2566
information or is employed by an entity with which the department 2567
contracts for the scoring of assessments administered under 2568
section 3301.0711 of the Revised Code. The guidelines may require 2569
school districts to provide the social security numbers of 2570

individual staff members and the county of residence for a 2571
student. Nothing in this section prohibits the state board of 2572
education or department of education from providing a student's 2573
county of residence to the department of taxation to facilitate 2574
the distribution of tax revenue. 2575

(2) The guidelines shall provide for each school district or 2576
community school to assign a data verification code that is unique 2577
on a statewide basis over time to each student whose initial Ohio 2578
enrollment is in that district or school and to report all 2579
required individual student data for that student utilizing such 2580
code. The guidelines shall also provide for assigning data 2581
verification codes to all students enrolled in districts or 2582
community schools on the effective date of the guidelines 2583
established under this section. 2584

Individual student data shall be reported to the department 2585
through the information technology centers utilizing the code but, 2586
except as provided in sections 3310.11, 3310.42, 3310.63, 2587
3313.978, ~~3310.63,~~ and 3317.20 of the Revised Code, at no time 2588
shall the state board or the department have access to information 2589
that would enable any data verification code to be matched to 2590
personally identifiable student data. 2591

Each school district shall ensure that the data verification 2592
code is included in the student's records reported to any 2593
subsequent school district, community school, or state institution 2594
of higher education, as defined in section 3345.011 of the Revised 2595
Code, in which the student enrolls. Any such subsequent district 2596
or school shall utilize the same identifier in its reporting of 2597
data under this section. 2598

The director of health shall request and receive, pursuant to 2599
sections 3301.0723 and 3701.62 of the Revised Code, a data 2600
verification code for a child who is receiving services under 2601
division (A)(2) of section 3701.61 of the Revised Code. 2602

(E) The guidelines adopted under this section may require 2603
school districts to collect and report data, information, or 2604
reports other than that described in divisions (A), (B), and (C) 2605
of this section for the purpose of complying with other reporting 2606
requirements established in the Revised Code. The other data, 2607
information, or reports may be maintained in the education 2608
management information system but are not required to be compiled 2609
as part of the profile formats required under division (G) of this 2610
section or the annual statewide report required under division (H) 2611
of this section. 2612

(F) Beginning with the school year that begins July 1, 1991, 2613
the board of education of each school district shall annually 2614
collect and report to the state board, in accordance with the 2615
guidelines established by the board, the data required pursuant to 2616
this section. A school district may collect and report these data 2617
notwithstanding section 2151.357 or 3319.321 of the Revised Code. 2618

(G) The state board shall, in accordance with the procedures 2619
it adopts, annually compile the data reported by each school 2620
district pursuant to division (D) of this section. The state board 2621
shall design formats for profiling each school district as a whole 2622
and each school building within each district and shall compile 2623
the data in accordance with these formats. These profile formats 2624
shall: 2625

(1) Include all of the data gathered under this section in a 2626
manner that facilitates comparison among school districts and 2627
among school buildings within each school district; 2628

(2) Present the data on academic achievement levels as 2629
assessed by the testing of student achievement maintained pursuant 2630
to division (B)(1)(d) of this section. 2631

(H)(1) The state board shall, in accordance with the 2632
procedures it adopts, annually prepare a statewide report for all 2633

school districts and the general public that includes the profile 2634
of each of the school districts developed pursuant to division (G) 2635
of this section. Copies of the report shall be sent to each school 2636
district. 2637

(2) The state board shall, in accordance with the procedures 2638
it adopts, annually prepare an individual report for each school 2639
district and the general public that includes the profiles of each 2640
of the school buildings in that school district developed pursuant 2641
to division (G) of this section. Copies of the report shall be 2642
sent to the superintendent of the district and to each member of 2643
the district board of education. 2644

(3) Copies of the reports received from the state board under 2645
divisions (H)(1) and (2) of this section shall be made available 2646
to the general public at each school district's offices. Each 2647
district board of education shall make copies of each report 2648
available to any person upon request and payment of a reasonable 2649
fee for the cost of reproducing the report. The board shall 2650
annually publish in a newspaper of general circulation in the 2651
school district, at least twice during the two weeks prior to the 2652
week in which the reports will first be available, a notice 2653
containing the address where the reports are available and the 2654
date on which the reports will be available. 2655

(I) Any data that is collected or maintained pursuant to this 2656
section and that identifies an individual pupil is not a public 2657
record for the purposes of section 149.43 of the Revised Code. 2658

(J) As used in this section: 2659

(1) "School district" means any city, local, exempted 2660
village, or joint vocational school district and, in accordance 2661
with section 3314.17 of the Revised Code, any community school. As 2662
used in division (L) of this section, "school district" also 2663
includes any educational service center or other educational 2664

entity required to submit data using the system established under 2665
this section. 2666

(2) "Cost" means any expenditure for operating expenses made 2667
by a school district excluding any expenditures for debt 2668
retirement except for payments made to any commercial lending 2669
institution for any loan approved pursuant to section 3313.483 of 2670
the Revised Code. 2671

(K) Any person who removes data from the information system 2672
established under this section for the purpose of releasing it to 2673
any person not entitled under law to have access to such 2674
information is subject to section 2913.42 of the Revised Code 2675
prohibiting tampering with data. 2676

(L)(1) In accordance with division (L)(2) of this section and 2677
the rules adopted under division (L)(10) of this section, the 2678
department of education may sanction any school district that 2679
reports incomplete or inaccurate data, reports data that does not 2680
conform to data requirements and descriptions published by the 2681
department, fails to report data in a timely manner, or otherwise 2682
does not make a good faith effort to report data as required by 2683
this section. 2684

(2) If the department decides to sanction a school district 2685
under this division, the department shall take the following 2686
sequential actions: 2687

(a) Notify the district in writing that the department has 2688
determined that data has not been reported as required under this 2689
section and require the district to review its data submission and 2690
submit corrected data by a deadline established by the department. 2691
The department also may require the district to develop a 2692
corrective action plan, which shall include provisions for the 2693
district to provide mandatory staff training on data reporting 2694
procedures. 2695

(b) Withhold up to ten per cent of the total amount of state funds due to the district for the current fiscal year and, if not previously required under division (L)(2)(a) of this section, require the district to develop a corrective action plan in accordance with that division;

(c) Withhold an additional amount of up to twenty per cent of the total amount of state funds due to the district for the current fiscal year;

(d) Direct department staff or an outside entity to investigate the district's data reporting practices and make recommendations for subsequent actions. The recommendations may include one or more of the following actions:

(i) Arrange for an audit of the district's data reporting practices by department staff or an outside entity;

(ii) Conduct a site visit and evaluation of the district;

(iii) Withhold an additional amount of up to thirty per cent of the total amount of state funds due to the district for the current fiscal year;

(iv) Continue monitoring the district's data reporting;

(v) Assign department staff to supervise the district's data management system;

(vi) Conduct an investigation to determine whether to suspend or revoke the license of any district employee in accordance with division (N) of this section;

(vii) If the district is issued a report card under section 3302.03 of the Revised Code, indicate on the report card that the district has been sanctioned for failing to report data as required by this section;

(viii) If the district is issued a report card under section 3302.03 of the Revised Code and incomplete or inaccurate data

submitted by the district likely caused the district to receive a 2726
higher performance rating than it deserved under that section, 2727
issue a revised report card for the district; 2728

(ix) Any other action designed to correct the district's data 2729
reporting problems. 2730

(3) Any time the department takes an action against a school 2731
district under division (L)(2) of this section, the department 2732
shall make a report of the circumstances that prompted the action. 2733
The department shall send a copy of the report to the district 2734
superintendent or chief administrator and maintain a copy of the 2735
report in its files. 2736

(4) If any action taken under division (L)(2) of this section 2737
resolves a school district's data reporting problems to the 2738
department's satisfaction, the department shall not take any 2739
further actions described by that division. If the department 2740
withheld funds from the district under that division, the 2741
department may release those funds to the district, except that if 2742
the department withheld funding under division (L)(2)(c) of this 2743
section, the department shall not release the funds withheld under 2744
division (L)(2)(b) of this section and, if the department withheld 2745
funding under division (L)(2)(d) of this section, the department 2746
shall not release the funds withheld under division (L)(2)(b) or 2747
(c) of this section. 2748

(5) Notwithstanding anything in this section to the contrary, 2749
the department may use its own staff or an outside entity to 2750
conduct an audit of a school district's data reporting practices 2751
any time the department has reason to believe the district has not 2752
made a good faith effort to report data as required by this 2753
section. If any audit conducted by an outside entity under 2754
division (L)(2)(d)(i) or (5) of this section confirms that a 2755
district has not made a good faith effort to report data as 2756
required by this section, the district shall reimburse the 2757

department for the full cost of the audit. The department may 2758
withhold state funds due to the district for this purpose. 2759

(6) Prior to issuing a revised report card for a school 2760
district under division (L)(2)(d)(viii) of this section, the 2761
department may hold a hearing to provide the district with an 2762
opportunity to demonstrate that it made a good faith effort to 2763
report data as required by this section. The hearing shall be 2764
conducted by a referee appointed by the department. Based on the 2765
information provided in the hearing, the referee shall recommend 2766
whether the department should issue a revised report card for the 2767
district. If the referee affirms the department's contention that 2768
the district did not make a good faith effort to report data as 2769
required by this section, the district shall bear the full cost of 2770
conducting the hearing and of issuing any revised report card. 2771

(7) If the department determines that any inaccurate data 2772
reported under this section caused a school district to receive 2773
excess state funds in any fiscal year, the district shall 2774
reimburse the department an amount equal to the excess funds, in 2775
accordance with a payment schedule determined by the department. 2776
The department may withhold state funds due to the district for 2777
this purpose. 2778

(8) Any school district that has funds withheld under 2779
division (L)(2) of this section may appeal the withholding in 2780
accordance with Chapter 119. of the Revised Code. 2781

(9) In all cases of a disagreement between the department and 2782
a school district regarding the appropriateness of an action taken 2783
under division (L)(2) of this section, the burden of proof shall 2784
be on the district to demonstrate that it made a good faith effort 2785
to report data as required by this section. 2786

(10) The state board of education shall adopt rules under 2787
Chapter 119. of the Revised Code to implement division (L) of this 2788

section. 2789

(M) No information technology center or school district shall 2790
acquire, change, or update its student administration software 2791
package to manage and report data required to be reported to the 2792
department unless it converts to a student software package that 2793
is certified by the department. 2794

(N) The state board of education, in accordance with sections 2795
3319.31 and 3319.311 of the Revised Code, may suspend or revoke a 2796
license as defined under division (A) of section 3319.31 of the 2797
Revised Code that has been issued to any school district employee 2798
found to have willfully reported erroneous, inaccurate, or 2799
incomplete data to the education management information system. 2800

(O) No person shall release or maintain any information about 2801
any student in violation of this section. Whoever violates this 2802
division is guilty of a misdemeanor of the fourth degree. 2803

(P) The department shall disaggregate the data collected 2804
under division (B)(1)(n) of this section according to the race and 2805
socioeconomic status of the students assessed. No data collected 2806
under that division shall be included on the report cards required 2807
by section 3302.03 of the Revised Code. 2808

(Q) If the department cannot compile any of the information 2809
required by division (C)(5) of section 3302.03 of the Revised Code 2810
based upon the data collected under this section, the department 2811
shall develop a plan and a reasonable timeline for the collection 2812
of any data necessary to comply with that division. 2813

Sec. 3769.041. (A) Any information concerning the following 2814
that is submitted, collected, or gathered as part of an 2815
application to the state racing commission for a license or permit 2816
under this chapter is confidential and not subject to disclosure 2817
by a state agency or political subdivision as a public record 2818

| | |
|---|------------------------------|
| <u>under section 149.43 of the Revised Code:</u> | 2819 |
| <u>(1) A minor child of an applicant;</u> | 2820 |
| <u>(2) The social security number, passport number, or federal tax identification number of an applicant or of the spouse of an applicant;</u> | 2821 2822 2823 |
| <u>(3) The home address and telephone number of an applicant or of the spouse or dependent of an applicant;</u> | 2824 2825 |
| <u>(4) An applicant's birth certificate;</u> | 2826 |
| <u>(5) The driver's license number of an applicant or of the applicant's spouse;</u> | 2827 2828 |
| <u>(6) The name or address of a previous spouse of the applicant;</u> | 2829 2830 |
| <u>(7) The date of birth of the applicant and of the spouse of an applicant;</u> | 2831 2832 |
| <u>(8) The place of birth of the applicant and of the spouse of an applicant;</u> | 2833 2834 |
| <u>(9) The personal financial information and records of an applicant or of an employee or the spouse or dependent of an applicant, including tax returns and information, and records of criminal proceedings;</u> | 2835 2836 2837 2838 |
| <u>(10) Any information concerning a victim of domestic violence, sexual assault, or stalking;</u> | 2839 2840 |
| <u>(11) The electronic mail address of the spouse or family member of the applicant;</u> | 2841 2842 |
| <u>(12) Any trade secret, medical records, and patents or exclusive licenses;</u> | 2843 2844 |
| <u>(13) Security information, including risk prevention plans, detection and countermeasures, location of count rooms or other</u> | 2845 2846 |

money storage areas, emergency management plans, security and 2847
surveillance plans, equipment and usage protocols, and theft and 2848
fraud prevention plans and countermeasures; 2849

(14) Information provided in a multijurisdictional personal 2850
history disclosure form, including the Ohio supplement, exhibits, 2851
attachments, and updates. 2852

(B) Notwithstanding any other law to the contrary, upon 2853
written request from a person, the commission shall provide the 2854
following information to the person, except as provided in this 2855
chapter: 2856

(1) The information provided under this chapter concerning a 2857
licensee, permit holder, or an applicant; 2858

(2) A copy of a letter providing the reasons for the denial 2859
of an applicant's license or permit and a copy of a letter 2860
providing the reasons for the commission's refusal to allow an 2861
applicant to withdraw the applicant's application, but with 2862
confidential information redacted if that information is the 2863
reason for the denial or refusal to withdraw. 2864

(C) The individual's name, the individual's place of 2865
employment, the individual's job title, and the individual's 2866
gaming experience that is provided for an individual who holds, 2867
held, or has applied for a license or permit under this chapter is 2868
not confidential. The reason for denial or revocation of a license 2869
or permit or for disciplinary action against the individual is not 2870
confidential. The cover sheet completed by an applicant for a key 2871
employee license is not confidential. 2872

(D) A person who holds, held, or has applied for a license or 2873
permit under this chapter may waive the confidentiality 2874
requirements of division (A) of this section. 2875

(E) Confidential information received by the commission from 2876
another jurisdiction relating to a person who holds, held, or has 2877

applied for a license or permit under this chapter is confidential 2878
and not subject to disclosure as a public record under section 2879
149.43 of the Revised Code. The commission may share the 2880
information referenced in this division with, or disclose the 2881
information to, the inspector general, any appropriate prosecuting 2882
authority, any law enforcement agency, or any other appropriate 2883
governmental or licensing agency, if the agency that receives the 2884
information complies with the same requirements regarding 2885
confidentiality as those with which the commission must comply. 2886

Sec. 3769.08. (A) Any person holding a permit to conduct a 2887
horse-racing meeting may provide a place in the race meeting 2888
grounds or enclosure at which the permit holder may conduct and 2889
supervise the pari-mutuel system of wagering by patrons of legal 2890
age on the live racing programs and simulcast racing programs 2891
conducted by the permit holder. 2892

The pari-mutuel method of wagering upon the live racing 2893
programs and simulcast racing programs held at or conducted within 2894
such race track, and at the time of such horse-racing meeting, or 2895
at other times authorized by the state racing commission, shall 2896
not be unlawful. No other place, except that provided and 2897
designated by the permit holder and except as provided in section 2898
3769.26 of the Revised Code, nor any other method or system of 2899
betting or wagering, except the pari-mutuel system, shall be used 2900
or permitted by the permit holder; nor, except as provided in 2901
section 3769.089 or 3769.26 of the Revised Code, shall the 2902
pari-mutuel system of wagering be conducted by the permit holder 2903
on any races except the races at the race track, grounds, or 2904
enclosure for which the person holds a permit. Each permit holder 2905
may retain as a commission an amount not to exceed eighteen per 2906
cent of the total of all moneys wagered. 2907

The pari-mutuel wagering authorized by this section is 2908

subject to sections 3769.25 to 3769.28 of the Revised Code. 2909

(B) At the close of each racing day, each permit holder 2910
authorized to conduct thoroughbred racing, out of the amount 2911
retained on that day by the permit holder, shall pay by check, 2912
draft, or money order to the tax commissioner, as a tax, a sum 2913
equal to the following percentages of the total of all moneys 2914
wagered on live racing programs on that day and shall separately 2915
compute and pay by check, draft, or money order to the tax 2916
commissioner, as a tax, a sum equal to the following percentages 2917
of the total of all money wagered on simulcast racing programs on 2918
that day: 2919

(1) One per cent of the first two hundred thousand dollars 2920
wagered, or any part of that amount; 2921

(2) Two per cent of the next one hundred thousand dollars 2922
wagered, or any part of that amount; 2923

(3) Three per cent of the next one hundred thousand dollars 2924
wagered, or any part of that amount; 2925

(4) Four per cent of all sums over four hundred thousand 2926
dollars wagered. 2927

Except as otherwise provided in section 3769.089 of the 2928
Revised Code, each permit holder authorized to conduct 2929
thoroughbred racing shall use for purse money a sum equal to fifty 2930
per cent of the pari-mutuel revenues retained by the permit holder 2931
as a commission after payment of the state tax. This fifty per 2932
cent payment shall be in addition to the purse distribution from 2933
breakage specified in this section. 2934

Subject to division (M) of this section, from the moneys paid 2935
to the tax commissioner by thoroughbred racing permit holders, 2936
one-half of one per cent of the total of all moneys so wagered on 2937
a racing day shall be paid into the Ohio fairs fund created by 2938
section 3769.082 of the Revised Code, one and one-eighth per cent 2939

of the total of all moneys so wagered on a racing day shall be 2940
paid into the Ohio thoroughbred race fund created by section 2941
3769.083 of the Revised Code, and one-quarter of one per cent of 2942
the total of all moneys wagered on a racing day by each permit 2943
holder shall be paid into the state racing commission operating 2944
fund created by section 3769.03 of the Revised Code. The required 2945
payment to the state racing commission operating fund does not 2946
apply to county and independent fairs and agricultural societies. 2947
The remaining moneys may be retained by the permit holder, except 2948
as provided in this section with respect to the odd cents 2949
redistribution. Amounts paid into the nursing home franchise 2950
permit fee fund pursuant to this section and section 3769.26 of 2951
the Revised Code shall be used solely for the support of the 2952
PASSPORT program as determined in appropriations made by the 2953
general assembly. If the PASSPORT program is abolished, the amount 2954
that would have been paid to the nursing home franchise permit fee 2955
fund under this chapter shall be paid to the general revenue fund 2956
of the state. As used in this chapter, "PASSPORT program" means 2957
the PASSPORT program created under section 173.40 of the Revised 2958
Code. 2959

The total amount paid to the Ohio thoroughbred race fund 2960
under this section and division (A) of section 3769.087 of the 2961
Revised Code shall not exceed by more than six per cent the total 2962
amount paid to this fund under this section and division (A) of 2963
that section during the immediately preceding calendar year. 2964

Each year, the total amount calculated for payment into the 2965
Ohio fairs fund under this division, division (C) of this section, 2966
and division (A) of section 3769.087 of the Revised Code shall be 2967
an amount calculated using the percentages specified in this 2968
division, division (C) of this section, and division (A) of 2969
section 3769.087 of the Revised Code. 2970

A permit holder may contract with a thoroughbred horsemen's 2971

organization for the organization to act as a representative of 2972
all thoroughbred owners and trainers participating in a 2973
horse-racing meeting conducted by the permit holder. A 2974
"thoroughbred horsemen's organization" is any corporation or 2975
association that represents, through membership or otherwise, more 2976
than one-half of the aggregate of all thoroughbred owners and 2977
trainers who were licensed and actively participated in racing 2978
within this state during the preceding calendar year. Except as 2979
otherwise provided in this paragraph, any moneys received by a 2980
thoroughbred horsemen's organization shall be used exclusively for 2981
the benefit of thoroughbred owners and trainers racing in this 2982
state through the administrative purposes of the organization, 2983
benevolent activities on behalf of the horsemen, promotion of the 2984
horsemen's rights and interests, and promotion of equine research. 2985
A thoroughbred horsemen's organization may expend not more than an 2986
aggregate of five per cent of its annual gross receipts, or a 2987
larger amount as approved by the organization, for dues, 2988
assessments, and other payments to all other local, national, or 2989
international organizations having as their primary purposes the 2990
promotion of thoroughbred horse racing, thoroughbred horsemen's 2991
rights, and equine research. 2992

(C) Except as otherwise provided in division (B) of this 2993
section, at the close of each racing day, each permit holder 2994
authorized to conduct harness or quarter horse racing, out of the 2995
amount retained that day by the permit holder, shall pay by check, 2996
draft, or money order to the tax commissioner, as a tax, a sum 2997
equal to the following percentages of the total of all moneys 2998
wagered on live racing programs and shall separately compute and 2999
pay by check, draft, or money order to the tax commissioner, as a 3000
tax, a sum equal to the following percentages of the total of all 3001
money wagered on simulcast racing programs on that day: 3002

(1) One per cent of the first two hundred thousand dollars 3003

| | |
|--|------|
| wagered, or any part of that amount; | 3004 |
| (2) Two per cent of the next one hundred thousand dollars | 3005 |
| wagered, or any part of that amount; | 3006 |
| (3) Three per cent of the next one hundred thousand dollars | 3007 |
| wagered, or any part of that amount; | 3008 |
| (4) Four per cent of all sums over four hundred thousand | 3009 |
| dollars wagered. | 3010 |
| Except as otherwise provided in division (B) and subject to | 3011 |
| division (M) of this section, from the moneys paid to the tax | 3012 |
| commissioner by permit holders authorized to conduct harness or | 3013 |
| quarter horse racing, one-half of one per cent of all moneys | 3014 |
| wagered on that racing day shall be paid into the Ohio fairs fund; | 3015 |
| from the moneys paid to the tax commissioner by permit holders | 3016 |
| authorized to conduct harness racing, five-eighths of one per cent | 3017 |
| of all moneys wagered on that racing day shall be paid into the | 3018 |
| Ohio standardbred development fund; and from the moneys paid to | 3019 |
| the tax commissioner by permit holders authorized to conduct | 3020 |
| quarter horse racing, five-eighths of one per cent of all moneys | 3021 |
| wagered on that racing day shall be paid into the Ohio quarter | 3022 |
| horse development fund. | 3023 |
| (D) In addition, subject to division (M) of this section, | 3024 |
| beginning on January 1, 1996, from the money paid to the tax | 3025 |
| commissioner as a tax under this section and division (A) of | 3026 |
| section 3769.087 of the Revised Code by harness horse permit | 3027 |
| holders, one-half of one per cent of the amount wagered on a | 3028 |
| racing day shall be paid into the Ohio standardbred development | 3029 |
| fund. Beginning January 1, 1998, the payment to the Ohio | 3030 |
| standardbred development fund required under this division does | 3031 |
| not apply to county agricultural societies or independent | 3032 |
| agricultural societies. | 3033 |
| The total amount paid to the Ohio standardbred development | 3034 |

fund under this division, division (C) of this section, and 3035
division (A) of section 3769.087 of the Revised Code and the total 3036
amount paid to the Ohio quarter horse development fund under this 3037
division and division (A) of that section shall not exceed by more 3038
than six per cent the total amount paid into the fund under this 3039
division, division (C) of this section, and division (A) of 3040
section 3769.087 of the Revised Code in the immediately preceding 3041
calendar year. 3042

(E) Subject to division (M) of this section, from the money 3043
paid as a tax under this chapter by harness and quarter horse 3044
permit holders, one-quarter of one per cent of the total of all 3045
moneys wagered on a racing day by each permit holder shall be paid 3046
into the state racing commission operating fund created by section 3047
3769.03 of the Revised Code. This division does not apply to 3048
county and independent fairs and agricultural societies. 3049

(F) Except as otherwise provided in section 3769.089 of the 3050
Revised Code, each permit holder authorized to conduct harness 3051
racing shall pay to the harness horsemen's purse pool a sum equal 3052
to fifty per cent of the pari-mutuel revenues retained by the 3053
permit holder as a commission after payment of the state tax. This 3054
fifty per cent payment is to be in addition to the purse 3055
distribution from breakage specified in this section. 3056

(G) In addition, each permit holder authorized to conduct 3057
harness racing shall be allowed to retain the odd cents of all 3058
redistribution to be made on all mutual contributions exceeding a 3059
sum equal to the next lowest multiple of ten. 3060

Forty per cent of that portion of that total sum of such odd 3061
cents shall be used by the permit holder for purse money for Ohio 3062
sired, bred, and owned colts, for purse money for Ohio bred 3063
horses, and for increased purse money for horse races. Upon the 3064
formation of the corporation described in section 3769.21 of the 3065
Revised Code to establish a harness horsemen's health and 3066

retirement fund, twenty-five per cent of that portion of that 3067
total sum of odd cents shall be paid at the close of each racing 3068
day by the permit holder to that corporation to establish and fund 3069
the health and retirement fund. Until that corporation is formed, 3070
that twenty-five per cent shall be paid at the close of each 3071
racing day by the permit holder to the tax commissioner or the tax 3072
commissioner's agent in the county seat of the county in which the 3073
permit holder operates race meetings. The remaining thirty-five 3074
per cent of that portion of that total sum of odd cents shall be 3075
retained by the permit holder. 3076

(H) In addition, each permit holder authorized to conduct 3077
thoroughbred racing shall be allowed to retain the odd cents of 3078
all redistribution to be made on all mutuel contributions 3079
exceeding a sum equal to the next lowest multiple of ten. Twenty 3080
per cent of that portion of that total sum of such odd cents shall 3081
be used by the permit holder for increased purse money for horse 3082
races. Upon the formation of the corporation described in section 3083
3769.21 of the Revised Code to establish a thoroughbred horsemen's 3084
health and retirement fund, forty-five per cent of that portion of 3085
that total sum of odd cents shall be paid at the close of each 3086
racing day by the permit holder to that corporation to establish 3087
and fund the health and retirement fund. Until that corporation is 3088
formed, that forty-five per cent shall be paid by the permit 3089
holder to the tax commissioner or the tax commissioner's agent in 3090
the county seat of the county in which the permit holder operates 3091
race meetings, at the close of each racing day. The remaining 3092
thirty-five per cent of that portion of that total sum of odd 3093
cents shall be retained by the permit holder. 3094

(I) In addition, each permit holder authorized to conduct 3095
quarter horse racing shall be allowed to retain the odd cents of 3096
all redistribution to be made on all mutuel contributions 3097
exceeding a sum equal to the next lowest multiple of ten, subject 3098

to a tax of twenty-five per cent on that portion of the total sum 3099
of such odd cents that is in excess of two thousand dollars during 3100
a calendar year, which tax shall be paid at the close of each 3101
racing day by the permit holder to the tax commissioner or the tax 3102
commissioner's agent in the county seat of the county within which 3103
the permit holder operates race meetings. Forty per cent of that 3104
portion of that total sum of such odd cents shall be used by the 3105
permit holder for increased purse money for horse races. The 3106
remaining thirty-five per cent of that portion of that total sum 3107
of odd cents shall be retained by the permit holder. 3108

(J)(1) To encourage the improvement of racing facilities for 3109
the benefit of the public, breeders, and horse owners, and to 3110
increase the revenue to the state from the increase in pari-mutuel 3111
wagering resulting from those improvements, the taxes paid by a 3112
permit holder to the state as provided for in this chapter shall 3113
be reduced by three-fourths of one per cent of the total amount 3114
wagered for those permit holders who make capital improvements to 3115
existing race tracks or construct new race tracks. The percentage 3116
of the reduction that may be taken each racing day shall equal 3117
seventy-five per cent of the taxes levied under divisions (B) and 3118
(C) of this section and section 3769.087 of the Revised Code, and 3119
division (F)(2) of section 3769.26 of the Revised Code, as 3120
applicable, divided by the calculated amount each fund should 3121
receive under divisions (B) and (C) of this section and section 3122
3769.087 of the Revised Code, and division (F)(2) of section 3123
3769.26 of the Revised Code and the reduction provided for in this 3124
division. If the resulting percentage is less than one, that 3125
percentage shall be multiplied by the amount of the reduction 3126
provided for in this division. Otherwise, the permit holder shall 3127
receive the full reduction provided for in this division. The 3128
amount of the allowable reduction not received shall be carried 3129
forward and applied against future tax liability. After any 3130
reductions expire, any reduction carried forward shall be treated 3131

as a reduction as provided for in this division. 3132

If more than one permit holder is authorized to conduct 3133
racing at the facility that is being built or improved, the cost 3134
of the new race track or capital improvement shall be allocated 3135
between or among all the permit holders in the ratio that the 3136
permit holders' number of racing days bears to the total number of 3137
racing days conducted at the facility. 3138

A reduction for a new race track or a capital improvement 3139
shall start from the day racing is first conducted following the 3140
date actual construction of the new race track or each capital 3141
improvement is completed and the construction cost has been 3142
approved by the racing commission, unless otherwise provided in 3143
this section. A reduction for a new race track or a capital 3144
improvement shall continue for a period of twenty-five years for 3145
new race tracks and for fifteen years for capital improvements if 3146
the construction of the capital improvement or new race track 3147
commenced prior to March 29, 1988, and for a period of ten years 3148
for new race tracks or capital improvements if the construction of 3149
the capital improvement or new race track commenced on or after 3150
March 29, 1988, but before June 6, 2001, or until the total tax 3151
reduction reaches seventy per cent of the approved cost of the new 3152
race track or capital improvement, as allocated to each permit 3153
holder, whichever occurs first. A reduction for a new race track 3154
or a capital improvement approved after June 6, 2001, shall 3155
continue until the total tax reduction reaches one hundred per 3156
cent of the approved cost of the new race track or capital 3157
improvement, as allocated to each permit holder. 3158

A reduction granted for a new race track or a capital 3159
improvement, the application for which was approved by the racing 3160
commission after March 29, 1988, but before June 6, 2001, shall 3161
not commence nor shall the ten-year period begin to run until all 3162
prior tax reductions with respect to the same race track have 3163

ended. The total tax reduction because of capital improvements 3164
shall not during any one year exceed for all permit holders using 3165
any one track three-fourths of one per cent of the total amount 3166
wagered, regardless of the number of capital improvements made. 3167
Several capital improvements to a race track may be consolidated 3168
in an application if the racing commission approved the 3169
application prior to March 29, 1988. No permit holder may receive 3170
a tax reduction for a capital improvement approved by the racing 3171
commission on or after March 29, 1988, at a race track until all 3172
tax reductions have ended for all prior capital improvements 3173
approved by the racing commission under this section or section 3174
3769.20 of the Revised Code at that race track. If there are two 3175
or more permit holders operating meetings at the same track, they 3176
may consolidate their applications. The racing commission shall 3177
notify the tax commissioner when the reduction of tax begins and 3178
when it ends. 3179

Each fiscal year the racing commission shall submit a report 3180
to the tax commissioner, the office of budget and management, and 3181
the legislative service commission. The report shall identify each 3182
capital improvement project undertaken under this division and in 3183
progress at each race track, indicate the total cost of each 3184
project, state the tax reduction that resulted from each project 3185
during the immediately preceding fiscal year, estimate the tax 3186
reduction that will result from each project during the current 3187
fiscal year, state the total tax reduction that resulted from all 3188
such projects at all race tracks during the immediately preceding 3189
fiscal year, and estimate the total tax reduction that will result 3190
from all such projects at all race tracks during the current 3191
fiscal year. 3192

(2) In order to qualify for the reduction in tax, a permit 3193
holder shall apply to the racing commission in such form as the 3194
commission may require and shall provide full details of the new 3195

race track or capital improvement, including a schedule for its 3196
construction and completion, and set forth the costs and expenses 3197
incurred in connection with it. The racing commission shall not 3198
approve an application unless the permit holder shows that a 3199
contract for the new race track or capital improvement has been 3200
let under an unrestricted competitive bidding procedure, unless 3201
the contract is exempted by the controlling board because of its 3202
unusual nature. In determining whether to approve an application, 3203
the racing commission shall consider whether the new race track or 3204
capital improvement will promote the safety, convenience, and 3205
comfort of the racing public and horse owners and generally tend 3206
towards the improvement of racing in this state. 3207

(3) If a new race track or capital improvement is approved by 3208
the racing commission and construction has started, the tax 3209
reduction may be authorized by the commission upon presentation of 3210
copies of paid bills in excess of one hundred thousand dollars or 3211
ten per cent of the approved cost, whichever is greater. After the 3212
initial authorization, the permit holder shall present copies of 3213
paid bills. If the permit holder is in substantial compliance with 3214
the schedule for construction and completion of the new race track 3215
or capital improvement, the racing commission may authorize the 3216
continuation of the tax reduction upon the presentation of the 3217
additional paid bills. The total amount of the tax reduction 3218
authorized shall not exceed the percentage of the approved cost of 3219
the new race track or capital improvement specified in division 3220
(J)(1) of this section. The racing commission may terminate any 3221
tax reduction immediately if a permit holder fails to complete the 3222
new race track or capital improvement, or to substantially comply 3223
with the schedule for construction and completion of the new race 3224
track or capital improvement. If a permit holder fails to complete 3225
a new race track or capital improvement, the racing commission 3226
shall order the permit holder to repay to the state the total 3227
amount of tax reduced. The normal tax paid by the permit holder 3228

shall be increased by three-fourths of one per cent of the total 3229
amount wagered until the total amount of the additional tax 3230
collected equals the total amount of tax reduced. 3231

(4) As used in this section: 3232

(a) "Capital improvement" means an addition, replacement, or 3233
remodeling of a structural unit of a race track facility costing 3234
at least one hundred thousand dollars, including, but not limited 3235
to, the construction of barns used exclusively for the race track 3236
facility, backstretch facilities for horsemen, paddock facilities, 3237
new pari-mutuel and totalizator equipment and appurtenances to 3238
that equipment purchased by the track, new access roads, new 3239
parking areas, the complete reconstruction, reshaping, and 3240
leveling of the racing surface and appurtenances, the installation 3241
of permanent new heating or air conditioning, roof replacement or 3242
restoration, installations of a permanent nature forming a part of 3243
the track structure, and construction of buildings that are 3244
located on a permit holder's premises. "Capital improvement" does 3245
not include the cost of replacement of equipment that is not 3246
permanently installed, ordinary repairs, painting, and maintenance 3247
required to keep a race track facility in ordinary operating 3248
condition. 3249

(b) "New race track" includes the reconstruction of a race 3250
track damaged by fire or other cause that has been declared by the 3251
racing commission, as a result of the damage, to be an inadequate 3252
facility for the safe operation of horse racing. 3253

(c) "Approved cost" includes all debt service and interest 3254
costs that are associated with a capital improvement or new race 3255
track and that the racing commission approves for a tax reduction 3256
under division (J) of this section. 3257

(5) The racing commission shall not approve an application 3258
for a tax reduction under this section if it has reasonable cause 3259

to believe that the actions or negligence of the permit holder 3260
substantially contributed to the damage suffered by the track due 3261
to fire or other cause. The racing commission shall obtain any 3262
data or information available from a fire marshal, law enforcement 3263
official, or insurance company concerning any fire or other damage 3264
suffered by a track, prior to approving an application for a tax 3265
reduction. 3266

(6) The approved cost to which a tax reduction applies shall 3267
be determined by generally accepted accounting principles and 3268
verified by an audit of the permit holder's records upon 3269
completion of the project by the racing commission, or by an 3270
independent certified public accountant selected by the permit 3271
holder and approved by the commission. 3272

(K) No other license or excise tax or fee, except as provided 3273
in sections 3769.01 to 3769.14 of the Revised Code, shall be 3274
assessed or collected from such licensee by any county, township, 3275
district, municipal corporation, or other body having power to 3276
assess or collect a tax or fee. That portion of the tax paid under 3277
this section by permit holders for racing conducted at and during 3278
the course of an agricultural exposition or fair, and that portion 3279
of the tax that would have been paid by eligible permit holders 3280
into the nursing home franchise permit fee fund as a result of 3281
racing conducted at and during the course of an agricultural 3282
exposition or fair, shall be deposited into the state treasury to 3283
the credit of the horse racing tax fund, which is hereby created 3284
for the use of the agricultural societies of the several counties 3285
in which the taxes originate. The state racing commission shall 3286
determine eligible permit holders for purposes of the preceding 3287
sentence, taking into account the breed of horse, the racing 3288
dates, the geographic proximity to the fair, and the best 3289
interests of Ohio racing. On the first day of any month on which 3290
there is money in the fund, the tax commissioner shall provide for 3291

payment to the treasurer of each agricultural society the amount 3292
of the taxes collected under this section upon racing conducted at 3293
and during the course of any exposition or fair conducted by the 3294
society. 3295

(L) From the tax paid under this section by harness track 3296
permit holders, the tax commissioner shall pay into the Ohio 3297
thoroughbred race fund a sum equal to a percentage of the amount 3298
wagered upon which the tax is paid. The percentage shall be 3299
determined by the tax commissioner and shall be rounded to the 3300
nearest one-hundredth. The percentage shall be such that, when 3301
multiplied by the amount wagered upon which tax was paid by the 3302
harness track permit holders in the most recent year for which 3303
final figures are available, it results in a sum that 3304
substantially equals the same amount of tax paid by the tax 3305
commissioner during that year into the Ohio fairs fund from taxes 3306
paid by thoroughbred permit holders. This division does not apply 3307
to county and independent fairs and agricultural societies. 3308

(M) Twenty-five per cent of the taxes levied on thoroughbred 3309
racing permit holders, harness racing permit holders, and quarter 3310
horse racing permit holders under this section, division (A) of 3311
section 3769.087 of the Revised Code, and division (F)(2) of 3312
section 3769.26 of the Revised Code shall be paid into the nursing 3313
home franchise permit fee fund. The tax commissioner shall pay any 3314
money remaining, after the payment into the nursing home franchise 3315
permit fee fund and the reductions provided for in division (J) of 3316
this section and in section 3769.20 of the Revised Code, into the 3317
Ohio fairs fund, Ohio thoroughbred race fund, Ohio standardbred 3318
development fund, Ohio quarter horse fund, and state racing 3319
commission operating fund as prescribed in this section and 3320
division (A) of section 3769.087 of the Revised Code. The tax 3321
commissioner shall thereafter use and apply the balance of the 3322
money paid as a tax by any permit holder to cover any shortage in 3323

the accounts of such funds resulting from an insufficient payment 3324
as a tax by any other permit holder. The moneys received by the 3325
tax commissioner shall be deposited weekly and paid by the tax 3326
commissioner into the funds to cover the total aggregate amount 3327
due from all permit holders to the funds, as calculated under this 3328
section and division (A) of section 3769.087 of the Revised Code, 3329
as applicable. If, after the payment into the nursing home 3330
franchise permit fee fund, sufficient funds are not available from 3331
the tax deposited by the tax commissioner to pay the required 3332
amounts into the Ohio fairs fund, Ohio standardbred development 3333
fund, Ohio thoroughbred race fund, Ohio quarter horse fund, and 3334
the state racing commission operating fund, the tax commissioner 3335
shall prorate on a proportional basis the amount paid to each of 3336
the funds. Any shortage to the funds as a result of a proration 3337
shall be applied against future deposits for the same calendar 3338
year when funds are available. After this application, the tax 3339
commissioner shall pay any remaining money paid as a tax by all 3340
permit holders into the nursing home franchise permit fee fund. 3341
This division does not apply to permit holders conducting racing 3342
at the course of an agricultural exposition or fair as described 3343
in division (K) of this section. 3344

Sec. 3769.087. (A) In addition to the commission of eighteen 3345
per cent retained by each permit holder as provided in section 3346
3769.08 of the Revised Code, each permit holder shall retain an 3347
additional amount equal to four per cent of the total of all 3348
moneys wagered on each racing day on all wagering pools other than 3349
win, place, and show, of which amount retained an amount equal to 3350
three per cent of the total of all moneys wagered on each racing 3351
day on those pools shall be paid by check, draft, or money order 3352
to the tax commissioner, as a tax. Subject to the restrictions 3353
contained in divisions (B), (C), and (M) of section 3769.08 of the 3354
Revised Code, from such additional moneys paid to the tax 3355

commissioner: 3356

(1) Four-sixths shall be allocated to fund distribution as 3357
provided in division (M) of section 3769.08 of the Revised Code. 3358

(2) One-twelfth shall be paid into the Ohio fairs fund 3359
created by section 3769.082 of the Revised Code. 3360

(3) One-twelfth of the additional moneys paid to the tax 3361
commissioner by thoroughbred racing permit holders shall be paid 3362
into the Ohio thoroughbred race fund created by section 3769.083 3363
of the Revised Code. 3364

(4) One-twelfth of the additional moneys paid to the tax 3365
commissioner by harness horse racing permit holders shall be paid 3366
to the Ohio standardbred development fund created by section 3367
3769.085 of the Revised Code. 3368

(5) One-twelfth of the additional moneys paid to the tax 3369
commissioner by quarter horse racing permit holders shall be paid 3370
to the Ohio quarter horse development fund created by section 3371
3769.086 of the Revised Code. 3372

(6) One-sixth shall be paid into the state racing commission 3373
operating fund created by section 3769.03 of the Revised Code. 3374

The remaining one per cent that is retained of the total of 3375
all moneys wagered on each racing day on all pools other than win, 3376
place, and show, shall be retained by racing permit holders, and, 3377
except as otherwise provided in section 3769.089 of the Revised 3378
Code, racing permit holders shall use one-half for purse money and 3379
retain one-half. 3380

(B) In addition to the commission of eighteen per cent 3381
retained by each permit holder as provided in section 3769.08 of 3382
the Revised Code and the additional amount retained by each permit 3383
holder as provided in division (A) of this section, each permit 3384
holder shall retain an additional amount equal to one-half of one 3385

per cent of the total of all moneys wagered on each racing day on 3386
all wagering pools other than win, place, and show. The additional 3387
amount retained under this division shall be paid by check, draft, 3388
or money order to the tax commissioner, as a tax. The tax 3389
commissioner shall pay the amount of the tax received under this 3390
division to the state racing commission operating fund created by 3391
section 3769.03 of the Revised Code. 3392

(C) Unless otherwise agreed to by the video lottery sales 3393
agent and the applicable horsemen's association recognized by the 3394
state racing commission to represent such persons, the state 3395
racing commission may direct through rule that a percentage of the 3396
lottery sales agent's commission as determined by the state 3397
lottery commission for conducting video lottery terminal gaming on 3398
behalf of the state be paid to the state racing commission for the 3399
benefit of breeding and racing in this state. The percentage so 3400
determined shall not be less than nine per cent or more than 3401
eleven per cent of the video lottery terminal income. The 3402
aggregate of one hundred per cent of video lottery terminal income 3403
minus the lottery sales agent's commission percentage as 3404
determined by the state lottery commission plus the percentage of 3405
the lottery sale agent's commission, as determined by the state 3406
racing commission or otherwise agreed to by the video lottery 3407
sales agent and the applicable horsemen's association recognized 3408
by the state racing commission to represent such persons, for the 3409
benefit of breeding and racing in this state shall not exceed 3410
forty-five per cent of the video lottery terminal income. In 3411
addition, the state lottery commission may adopt a rule to require 3412
the lottery sales agent conducting video lottery terminal gaming 3413
on behalf of the state to disperse to the state lottery commission 3414
up to one per cent of such a lottery sales agent's commission for 3415
the purpose of providing funding support to appropriate state 3416
agencies for programs that provide for gambling addiction and 3417
other related addiction services. 3418

Sec. 3769.089. (A) As used in this chapter: 3419

(1) "Racing day" means any day authorized under a permit 3420
holder's permit on which, at a simulcast host, either a live 3421
racing program is conducted as authorized under section 3769.07 of 3422
the Revised Code or a simulcast racing program is conducted as 3423
authorized under this section. 3424

(2) "Live racing day" means a racing day on which a live 3425
racing program is conducted by the permit holder along with 3426
simulcasts of all other available racing programs from within this 3427
state and simulcast racing programs from outside this state as 3428
authorized under this section. 3429

(3) "Live racing program" means a racing program consisting 3430
of no fewer than seven live horse races at thoroughbred tracks and 3431
nine live races at standardbred tracks and additional horse races 3432
simulcast from other facilities located either inside or outside 3433
this state, in which not more than two horse races on which 3434
pari-mutuel wagering is conducted are simulcast from facilities 3435
located outside this state. If only one racing meeting of a 3436
particular breed of horse is being held, no fewer than nine live 3437
horse races shall be held on a live racing day. If, during the 3438
course of a racing meeting at a standardbred track, the racing 3439
secretary of the permit holder determines that there is an 3440
insufficient number of entries to have a full field of eight 3441
horses for each of nine races on a live racing program, then the 3442
racing secretary of the permit holder, after consultation with the 3443
Ohio harness horsemens association, may reduce the number of live 3444
races on that live racing program ~~from nine to either eight or~~ 3445
~~seven~~, as the racing secretary may determine. The racing secretary 3446
shall not reduce the live racing program to less than seven live 3447
races. If during the course of a meeting at a thoroughbred track, 3448
the racing secretary of a permit holder determines that there is 3449

an insufficient number of entries to have a full field of eight 3450
horses for each of nine races on a live racing program, then the 3451
racing secretary of the permit holder, with the consent of the 3452
thoroughbred horsemens association, may reduce the number of live 3453
races on that live racing program ~~from nine to either eight or~~ 3454
~~seven~~, as the racing secretary may determine. The racing secretary 3455
shall not reduce the live racing program to less than seven live 3456
races. No more than seventeen races on which pari-mutuel wagering 3457
is conducted, including both live races and races simulcast from 3458
other facilities located either inside or outside this state, 3459
shall be part of a live racing program. 3460

(4) "Simulcast host" means a track or enclosure in this state 3461
where, on a racing day, a permit holder is doing one or both of 3462
the following: 3463

(a) Conducting a live racing program and offering this 3464
program for simulcasting to one or more simulcast guests and 3465
satellite facilities in this state; 3466

(b) Receiving a simulcast racing program for simulcasting to 3467
one or more simulcast guests and satellite facilities in this 3468
state. 3469

(5) "Simulcast guest" means any track or enclosure that is 3470
receiving from a simulcast host, on a day other than a racing day, 3471
a live racing program or a simulcast racing program. 3472

(6) "Simulcast racing program" means all simulcasts of horse 3473
races to a simulcast host or simulcast guest on a racing day or on 3474
any other day on which pari-mutuel wagering is conducted, but does 3475
not include any simulcast horse races from inside or outside this 3476
state that are included in a simulcast host's live racing program. 3477

(7) "Satellite facility" has the same meaning as in section 3478
3769.25 of the Revised Code. 3479

(8) "Collection and settlement agent" has the same meaning as 3480

in section 3769.0810 of the Revised Code. 3481

(9) "Special racing event" means individual races in live 3482
racing programs or simulcast racing programs, and simulcast racing 3483
programs on special event days under division (C) of this section, 3484
conducted at facilities located outside this state for which the 3485
track, racing association, or state regulatory agency conducting 3486
such races charges a simulcast host a fee for the privilege of 3487
receiving a simulcast of such races into this state that is higher 3488
than the customary and regular fee charged for simulcast races 3489
because of the status or popularity of such races. 3490

(B)(1)(a) The state racing commission shall, upon request by 3491
any permit holder, permit electronically televised simulcasts of 3492
horse races at the permit holder's track or enclosure on racing 3493
days authorized by the permit holder's permit. Except as provided 3494
in division (B) of this section, the commission shall not permit 3495
the simulcast of any simulcast racing program conducted at tracks 3496
or facilities located outside this state unless the out-of-state 3497
simulcast racing program is available at the same signal rate to 3498
all permit holders, whether serving as simulcast hosts or 3499
simulcast guests, and all satellite facilities, in this state open 3500
and operating on that day. A permit holder or satellite facility 3501
may inform the commission that it waives the right to receive the 3502
simulcast of a simulcast racing program or a race in a simulcast 3503
racing program on that day and in this event the simulcast racing 3504
program or simulcast race shall be available to all other 3505
simulcast hosts, simulcast guests, and satellite facilities open 3506
and operating in this state on that day. 3507

(b) In order for a permit holder to offer simulcasts of horse 3508
races conducted at facilities located outside this state, the 3509
permit holder shall have conducted live racing programs during the 3510
immediately preceding calendar year on a number of days that is 3511
not less than the number of regular live racing days it conducted 3512

in calendar year 1991, not including additional racing days 3513
conducted in calendar year 1991 by the permit holder at a 3514
winterized facility under a permit issued under section 3769.07 of 3515
the Revised Code, as certified by the commission. In satisfying 3516
the foregoing requirement for live racing days during the 3517
immediately preceding calendar year, a permit holder may include 3518
the number of days on which live racing programs were conducted 3519
under a permit issued under section 3769.07 of the Revised Code 3520
for additional racing days at a winterized facility. In addition, 3521
in order for a permit holder to offer simulcasts of horse races 3522
conducted at facilities located outside this state, the permit 3523
holder shall offer all simulcasts of horse races conducted in this 3524
state made available to it. 3525

In order for a permit holder to offer simulcasts of races 3526
conducted at race tracks located outside this state at the same 3527
time and during the hours in which the live races of a live racing 3528
program are being conducted at its track, a permit holder 3529
conducting a thoroughbred live racing program shall obtain the 3530
consent of the thoroughbred horsemens association and a permit 3531
holder conducting a harness live racing program shall obtain the 3532
consent of the Ohio harness horsemens association. The consent of 3533
the horsemen's organization shall not be unreasonably withheld, 3534
and shall be consistent with the interest of preserving live 3535
racing in this state. If a horsemen's organization withholds its 3536
consent, the permit holder may file an objection with the 3537
commission, which shall promptly consider the objection and 3538
determine whether the horsemen's organization's action in 3539
withholding consent is without substantial merit and, if the 3540
commission so determines, shall authorize the permit holder to 3541
simulcast the simulcast racing programs. The determination of the 3542
commission is final. A permit holder, as a simulcast host, may 3543
offer simulcast racing programs at its track or enclosure of races 3544
conducted at tracks and facilities located outside this state 3545

prior to the commencement of, and following the conclusion of, its 3546
live races without obtaining the consent of a horsemen's 3547
organization under this division. 3548

(c) Division (B)(1)(b) of this section remains in effect for 3549
each permit holder until the calendar year after that permit 3550
holder first receives a commission as a lottery sales agent for 3551
conducting video lottery terminal gaming on behalf of the state. 3552

(2) Notwithstanding section 3769.07 of the Revised Code and 3553
unless otherwise agreed to by the applicable horsemen's 3554
association and the permit holder, beginning in the calendar year 3555
after the permit holder first receives video lottery terminal 3556
income, one of the following applies as determined on a yearly 3557
basis: 3558

(a) If eleven per cent of the gross gaming revenue from video 3559
lottery terminals at the permit holder's facilities (either 3560
existing or relocated) in the previous calendar year exceeds 3561
fifteen million dollars, a permit holder shall conduct a minimum 3562
of one hundred twenty-five live racing days. 3563

(b) If eleven per cent of the gross gaming revenue from video 3564
lottery terminals at the permit holder's facilities (either 3565
existing or relocated) in the previous calendar year exceeds 3566
eleven million dollars, but is less than or equal to fifteen 3567
million dollars, a permit holder shall conduct a minimum of one 3568
hundred live racing days or the number of racing days applied for 3569
by the permit holder in calendar year 2012, whichever is greater. 3570

(c) If eleven per cent of the gross gaming revenue from video 3571
lottery terminals at the permit holder's facilities (either 3572
existing or relocated) in the previous calendar year is less than 3573
or equal to eleven million dollars, a permit holder shall conduct 3574
a minimum of seventy-five racing days or the number of racing days 3575
applied for by the permit holder for calendar year 2012, whichever 3576

is greater. 3577

In no case shall the minimum number of racing days for any permit holder exceed one hundred twenty-five racing days. 3578
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(3) For the purposes of division (B)(2) of this section, for live racing conducted at a track with more than one permit, the minimum and maximum live racing days shall apply to those permits collectively and not as a single permit. 3580
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(4) In addition to the required live racing days, a permit holder shall simulcast a simulcast racing program on a minimum of three hundred sixty days each calendar year. The permit holder shall simulcast all simulcast racing programs conducted in this state and made available to the permit holder and simulcast racing programs conducted outside this state. 3584
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(5) The commission may make exception to the required minimum number of live racing days or simulcast racing program days in instances of natural disaster or other unexpected circumstances as defined by the commission, in its sole discretion. For any calendar year, the horsemen's association at each track may negotiate an agreement with the permit holder for that track to reduce the number of live racing days at that track to less than the minimum live racing days required by division (B)(2)(a), (b), or (c) of this section, as applicable, or to increase the number of live racing days at that track to a number that is greater than the maximum live racing days permitted by division (B)(2)(c) of this section, subject to the approval of the commission. These negotiations shall not reduce the number of live racing days to less than fifty days per calendar year. 3590
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(6) To satisfy the requirement of live racing days, a permit holder may include the number of days on which live racing programs were conducted under a permit issued under section 3769.07 of the Revised Code for racing days authorized at a 3604
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winterized facility. 3608

(C) The commission shall allocate to each track one racing 3609
day for each permit holder during each calendar year for the 3610
conduct of a live racing program on which a permit holder may 3611
conduct as few as one live horse race, with the remainder of the 3612
horse races on that racing day on which pari-mutuel wagering is 3613
conducted as part of the live racing program being simulcast from 3614
other tracks and facilities located either inside or outside this 3615
state. In addition, the commission may allocate to each permit 3616
holder racing days on which it may as part of a live racing 3617
program simulcast more than two horse races from facilities 3618
located outside this state if the horse races involve a national 3619
wagering pool and pari-mutuel wagering is conducted on the 3620
national wagering pool, but on such a racing day there shall in no 3621
event be more than two horse races simulcast from facilities 3622
located outside this state included in a live racing program on 3623
which separate pari-mutuel wagering is conducted. As used in this 3624
division, "national wagering pool" means an interstate or 3625
intrastate common pari-mutuel wagering pool involving two or more 3626
selections covering two or more horse races conducted at tracks 3627
located inside or outside this state. 3628

In emergency situations, the commission may authorize a live 3629
racing day at a track in which all horse races on that racing day 3630
on which pari-mutuel wagering is conducted are simulcast from 3631
tracks and facilities located either inside or outside this state 3632
with the consent of the thoroughbred horsemens association for a 3633
track conducting a thoroughbred live racing program and with the 3634
consent of the Ohio harness horsemens association for a track 3635
conducting a harness live racing program. If a horsemen's 3636
organization withholds its consent, the permit holder may file an 3637
objection with the commission, which shall promptly consider the 3638
objection and determine whether the horsemen's organization's 3639

action in withholding consent is without substantial merit and, if 3640
the commission so determines, shall authorize the permit holder to 3641
simulcast the simulcast racing programs. The determination of the 3642
commission is final. 3643

(D) On any day that a racing day has been applied for at any 3644
track in this state, each track in this state may operate as 3645
either a simulcast host or a simulcast guest and may conduct, with 3646
the approval of the state racing commission, pari-mutuel wagering 3647
on all simulcasts of races conducted inside this state made 3648
available to it plus all simulcasts of races conducted at 3649
facilities located outside this state as determined by the 3650
simulcast hosts. Except as otherwise provided in this section, any 3651
simulcast host or simulcast guest may receive and conduct 3652
simulcast racing programs that feature any breed of horse at any 3653
time of day, as authorized by the commission. Those persons 3654
holding state fair, county fair, or other fair permits shall not 3655
receive a simulcast racing program on which pari-mutuel wagering 3656
is conducted, except that a holder of a permit issued under 3657
section 3769.07 of the Revised Code that has been authorized by 3658
the commission to conduct races of the state fair, a county fair, 3659
or other fair at a commercial track may receive and conduct 3660
simulcast racing programs as a simulcast host or simulcast guest 3661
at the same time in conjunction with the live racing program of 3662
the state fair, county fair, or other fair permit holder conducted 3663
at its track. 3664

The simulcast hosts, with the approval of the state racing 3665
commission, shall determine which simulcast racing programs 3666
offered by race tracks located outside this state will be 3667
simulcast at their tracks and at all simulcast hosts, simulcast 3668
guests, and satellite facilities in this state that are open and 3669
operating during the hours that the simulcast hosts are operating. 3670
Simulcast guests and satellite facilities shall receive all 3671

approved simulcast racing programs offered by simulcast hosts. In 3672
addition, a simulcast host and simulcast guest, with the approval 3673
of the commission, may also receive simulcast horse races and 3674
simulcast racing programs not agreed to by simulcast hosts. 3675

A simulcast host that normally operates during the day only 3676
may serve as a simulcast host for only day-simulcast racing 3677
programs, which include all simulcast racing programs that 3678
commence at a track located outside this state on or before four 3679
p.m. A simulcast host that normally operates during the evening 3680
only may serve as a simulcast host for only evening-simulcast 3681
racing programs, which include all simulcast racing programs that 3682
commence at a track located outside this state on or after three 3683
p.m. A simulcast host that normally operates during the evening, 3684
but that under its permit conducts live racing programs during the 3685
day, may serve as a simulcast host for day-simulcast racing 3686
programs. A permit holder that is offering at its track simulcast 3687
racing programs that commence at a track located outside this 3688
state on or before four p.m. and simulcast racing programs that 3689
commence at a track located outside this state on or after three 3690
p.m. may serve as a simulcast host for both the day-simulcast 3691
racing program and the evening-simulcast racing program only if no 3692
other permit holder is serving as a simulcast host for the other 3693
simulcast racing programs. The times listed in this and the 3694
immediately following paragraphs are standard time as described in 3695
section 1.04 of the Revised Code and in the "Uniform Time Act of 3696
1966," 80 Stat. 107, 15 U.S.C. 260 to 265. 3697

If a simulcast host is conducting a racing program that 3698
features thoroughbred or quarter horses on the same day that 3699
another simulcast host is conducting a live racing program that 3700
features harness horses at a track located in the same county as, 3701
or within twenty miles of, the track of the first simulcast host, 3702
the first simulcast host shall not conduct pari-mutuel wagering on 3703

simulcast racing programs that commence after four p.m. on that 3704
day and the second simulcast host shall not conduct wagering on 3705
simulcast racing programs that commence before three p.m. on that 3706
day. 3707

A simulcast host that is conducting a live racing program and 3708
is simulcasting that program to other simulcast hosts and 3709
simulcast guests in this state shall receive from each simulcast 3710
host and each simulcast guest receiving the simulcast an 3711
intrastate simulcast fee of one and three-eighths per cent of the 3712
amounts wagered on such simulcast racing program at its 3713
facilities. The simulcast hosts and simulcast guests receiving 3714
such simulcast racing program shall pay the intrastate simulcast 3715
fee to the collection and settlement agent, and the fee shall be 3716
disbursed by the agent, at the time and in the manner provided in 3717
section 3769.0810 of the Revised Code. 3718

(E)(1) The moneys wagered on simulcast racing programs on a 3719
racing day shall be separated from the moneys wagered on the live 3720
racing program on that racing day. From the moneys wagered on the 3721
simulcast races, each permit holder may retain as a commission the 3722
percentage of the amount wagered as specified in sections 3769.08 3723
and 3769.087 of the Revised Code, as applicable, and shall pay, by 3724
check, draft, or money order to the state tax commissioner, as a 3725
tax, the tax specified in sections 3769.08 and 3769.087 of the 3726
Revised Code, as applicable. From the tax collected, the tax 3727
commissioner shall make the distributions to the respective funds, 3728
and in the proper amounts, as required by sections 3769.08 and 3729
3769.087 of the Revised Code, as applicable. Except as provided in 3730
~~divisions~~ division (E)(2) ~~and (3)~~ of this section, from the amount 3731
remaining after the payment of state taxes on the moneys wagered 3732
on live racing programs and on the moneys wagered on simulcast 3733
racing programs, a permit holder shall retain an amount equal to 3734
two and ~~three-eighths~~ three-eighths per cent of the amount wagered 3735

on live racing programs and on intrastate and interstate simulcast 3736
racing programs simulcast at its track and on the amount wagered 3737
on the live racing programs and simulcast racing programs at a 3738
satellite facility allocated to it under section 3769.26 of the 3739
Revised Code, as a fee to pay for those costs associated with the 3740
reception and transmission of simulcasts and the administrative 3741
cost of the conduct of live racing programs and simulcast racing 3742
programs. From the remaining balance, one-half shall be retained 3743
by the permit holder for purses. On a day when a permit holder 3744
conducts a live racing program, all purse money generated from 3745
wagering on live racing programs and on simulcast racing programs 3746
at its track shall be used for that permit holder's purse account. 3747
On a day when a permit holder operates as a simulcast host with no 3748
live racing program, or operates as a simulcast guest, all purse 3749
money generated from wagering on intrastate and interstate 3750
simulcast racing programs shall be paid to the state racing 3751
commission for deposit into the Ohio combined simulcast horse 3752
racing purse fund created under this section. In addition, on a 3753
day when a permit holder serves as a simulcast host for a 3754
satellite facility, all purse money generated from amounts wagered 3755
at the satellite facility allocated to the permit holder under 3756
section 3769.26 of the Revised Code shall be paid to the 3757
commission for deposit into the Ohio simulcast horse racing purse 3758
fund. 3759

(2) If there are not four satellite facilities in operation 3760
in this state within one year after ~~the effective date of this~~ 3761
~~section~~ September 19, 1996, or if there are not seven satellite 3762
facilities in operation in this state within two years after ~~the~~ 3763
~~effective date of this section~~ September 19, 1996, or if there are 3764
not ten satellite facilities in operation in this state within 3765
three years after ~~the effective date of this section~~ September 19, 3766
1996, then in any such event the amount to be retained as a fee by 3767
the permit holder under division (E)(1) of this section shall be 3768

one and seven-eighths per cent until such time as the number of 3769
satellite facilities specified in division (E)(2) of this section 3770
are in operation. For good cause shown, the thoroughbred horsemens 3771
association and Ohio harness horsemens association may waive the 3772
requirements of division (E)(2) of this section or extend the date 3773
for compliance as to any year by filing a written notification 3774
with the state racing commission. 3775

(3) If a simulcast racing program simulcast by a simulcast 3776
host at its track or enclosure and to other simulcast hosts, 3777
simulcast guests, and satellite facilities in this state is a 3778
special racing event, the permit holder offering the special 3779
racing event and other simulcast hosts, simulcast guests, and 3780
satellite facilities receiving the special racing event shall not 3781
retain the fee provided under division (E)(1) or (2) of this 3782
section but shall retain from the moneys wagered on the special 3783
racing event an amount equal to the fee charged by the track, 3784
racing association, or state regulatory agency simulcasting the 3785
special racing event to the simulcast host. From the remaining 3786
balance, one-half shall be retained by the permit holder for 3787
purses in the manner provided in division (E)(1) of this section. 3788

A permit holder proposing to simulcast a special racing event 3789
as a simulcast host shall advise its horsemen's organization of 3790
the proposed schedule of the special racing event and obtain its 3791
consent to this schedule. The consent of the horsemen's 3792
organization shall not be unreasonably withheld and shall be 3793
consistent with the interest of preserving live racing in this 3794
state. If the horsemen's organization withholds its consent, the 3795
permit holder may file an objection with the state racing 3796
commission, which shall promptly consider the objection and 3797
determine whether the organization's action in withholding consent 3798
is without substantial merit and, if the commission so determines, 3799
shall authorize the permit holder to simulcast the special racing 3800

event. The determination of the commission is final. 3801

(F) There is hereby created in the state treasury the Ohio 3802
combined simulcast horse racing purse fund, to consist of moneys 3803
paid into it by permit holders pursuant to division (E) of this 3804
section and by satellite facilities pursuant to division (F) of 3805
section 3769.26 of the Revised Code. Moneys to the credit of the 3806
fund, including interest earned thereon, may be used by the 3807
commission for the costs of administering this division and the 3808
balance shall be distributed among permit holders no less 3809
frequently than monthly to each permit holder's purse account on 3810
order of the commission. 3811

For each calendar year, permit holders at each track shall 3812
receive a share of each distribution of the Ohio combined 3813
simulcast horse racing purse fund in the same percentage, rounded 3814
to the nearest one-hundredth of the amount of each distribution, 3815
as the average total amount wagered at the track on racing days at 3816
which live racing programs were conducted, including the amount 3817
allocated to the track under section 3769.26 of the Revised Code 3818
for live races, during the five calendar years immediately 3819
preceding the year for which the distribution is made bears to the 3820
average annual total amount wagered at all tracks in the state 3821
operating under permits issued by the state racing commission 3822
under section 3769.07, 3769.071, or 3769.072 of the Revised Code 3823
on all racing days at which live racing programs were conducted, 3824
including the amount allocated to the tracks under section 3769.26 3825
of the Revised Code for live races, during the five calendar years 3826
immediately preceding the year for which the distribution is made. 3827
By the thirty-first day of January of each year the commission 3828
shall calculate the share of the permit holders at each track for 3829
that year, shall enter the share percentages in its official 3830
records, and shall notify all permit holders of the share 3831
percentages of all tracks for that calendar year. 3832

The permit holders at each track, with the approval of the 3833
commission, shall allocate their share of the fund as distributed 3834
to the purse account of each permit holder for each race meeting. 3835

The commission shall cause to be kept accurate records of its 3836
administration of the fund, including all administrative expenses 3837
incurred by it and charged to the fund, and of distributions to 3838
permit holders. These records are public records available for 3839
inspection at any time during the regular business hours of the 3840
commission by any permit holder or horsemen's organization, by an 3841
authorized agent of the permit holder or horsemen's organization, 3842
or by any other person. 3843

(G) Upon the approval of the commission, a permit holder 3844
conducting live racing programs may transmit electronically 3845
televised simulcasts of horse races conducted at the permit 3846
holder's track to racing associations, tracks, and facilities 3847
located outside this state for the conduct of pari-mutuel wagering 3848
thereon, at the times, on the terms, and for the fee agreed upon 3849
by the permit holder and the receiving racing association, track, 3850
or facility. From the fees paid to the permit holder for such 3851
simulcasts, a permit holder shall retain for the costs of 3852
administration a fee in an amount equal to one per cent of the 3853
amount wagered on the races simulcast by the permit holder. From 3854
the remaining balance of the fee, one-half shall be retained by 3855
the permit holder for purses, except that notwithstanding the fee 3856
arrangement between the permit holder and the receiving racing 3857
association, track, or facility, the permit holder shall deposit 3858
into its purse account not less than an amount equal to 3859
three-fourths of one per cent of the amount wagered at racing 3860
associations, tracks, and facilities located outside the state on 3861
the races simulcast by the permit holder. 3862

All televised simulcasts of horse races conducted in this 3863
state to racing associations, tracks, and facilities located 3864

outside this state shall comply with the "Interstate Horse Racing Act of 1978," 92 Stat. 1811, 15 U.S.C.A. 3001 to 3007. The consent of the horsemen's organization at the track of the permit holder applying to the commission to simulcast horse races conducted at the permit holder's track to racing associations, tracks, and facilities located outside this state ~~shall not be unreasonably withheld and~~ shall be consistent with the interest of preserving live racing. ~~If a horsemen's organization withholds its consent, the permit holder may file an objection with the commission, which shall promptly consider the objection and determine whether the horsemen's organization's action in withholding consent is without substantial merit and, if the commission so determines, shall authorize the permit holder to simuleast the races. The determination of the commission is final.~~

(H)(1) The state racing commission may authorize any permit holder that is authorized to conduct live horse racing on racing days and that conducts pari-mutuel wagering on simulcasts of horse races under this section that are conducted at race tracks either inside or outside this state to conduct, supervise, and participate in interstate and intrastate common pari-mutuel wagering pools on those races in the manner provided in division (H) of this section. Except as otherwise expressly provided in division (H) of this section or in the rules of the state racing commission, the provisions of this chapter that govern pari-mutuel wagering apply to interstate or intrastate common pari-mutuel wagering pools.

(2) Subject to the approval of the state racing commission, the types of wagering, calculation of the commission retained by the permit holder, tax rates, distribution of winnings, and rules of racing in effect for pari-mutuel wagering pools at the host track may govern wagers placed at a receiving track in this state and merged into an interstate or intrastate common pari-mutuel

wagering pool. Breakage from interstate or intrastate common 3897
pari-mutuel wagering pools shall be calculated in accordance with 3898
the rules that govern the host track and shall be distributed 3899
among the tracks participating in the interstate or intrastate 3900
common wagering pool in a manner agreed to by the participating 3901
tracks and the host track. An interstate common pari-mutuel 3902
wagering pool formed under division (H)(3) of this section is 3903
subject to that division rather than to division (H)(2) of this 3904
section. 3905

(3) Subject to the approval of the state racing commission, 3906
an interstate common pari-mutuel wagering pool may be formed 3907
between a permit holder and one or more receiving tracks located 3908
in states other than the state in which the host track is located. 3909
The commission may approve types of wagering, calculation of the 3910
commission retained by the permit holder, tax rates, distribution 3911
of winnings, rules of racing, and calculation of breakage for such 3912
an interstate common pari-mutuel wagering pool that differ from 3913
those that would otherwise be applied in this state under this 3914
chapter but that are consistent for all tracks participating in 3915
the interstate common pari-mutuel wagering pool formed under 3916
division (H)(3) of this section. 3917

(4) As used in division (H) of this section: 3918

(a) "Host track" means a track where live horse races are 3919
conducted and offered for simulcasting to receiving tracks. 3920

(b) "Receiving track" means a track where simulcasts of races 3921
from a host track are displayed and wagered on. 3922

(I) Each permit holder is responsible for paying all costs 3923
associated with the up-link for, and reception of, simulcasts, and 3924
the conduct and operation of simulcast racing programs, for all 3925
fees and costs associated with serving as a simulcast host or 3926
simulcast guest, and for any required fees payable to the tracks, 3927

racing associations, or state regulatory agencies where simulcast 3928
racing is conducted at tracks located outside this state. 3929

(J) No license, fee, or excise tax, other than as specified 3930
in division (E) of this section, shall be assessed upon or 3931
collected from a permit holder or the owners of a permit holder in 3932
connection with, or pertaining to, the operation and conduct of 3933
simulcast racing programs in this state, by any county, township, 3934
municipal corporation, district, or other body having the 3935
authority to assess or collect a tax or fee. 3936

(K)(1) Permit holders operating tracks within the same county 3937
or adjacent counties that are conducting simulcast racing programs 3938
under this section may enter into agreements regarding the conduct 3939
of simulcast racing programs at their respective tracks and the 3940
sharing of the retained commissions therefrom, for such periods of 3941
time, upon such terms and conditions, and subject to such rights 3942
and obligations, as the contracting permit holders consider 3943
appropriate under the circumstances. Permit holders ~~so contracting~~ 3944
shall notify the state racing commission of their entry into an 3945
agreement pursuant to this division, the names of the permit 3946
holders that are parties to the agreement, and the length of ~~the~~ 3947
~~term of time~~ the agreement shall be in effect. 3948

(2) Permit holders and the thoroughbred horsemens association 3949
and Ohio harness horsemens association may agree to do any of the 3950
following: 3951

(a) Increase or reduce the fees and amounts to be retained by 3952
the permit holders under this section; 3953

(b) Increase or reduce the fees and amounts to be allocated 3954
to the purse accounts ~~or~~ of permit holders under this section; 3955

(c) Increase or reduce the fees to be paid between and among 3956
simulcast hosts and simulcast guests under this section and under 3957
division (C) of section 3769.0810 of the Revised Code; 3958

(d) Modify, suspend, or waive the requirements set forth in 3959
division (B) of this section as to any permit holder or as to all 3960
permit holders. 3961

All permit holders and both horsemen's organizations shall 3962
approve such agreement. Any agreement entered into under division 3963
(K)(2) of this section shall set forth the effective date of any 3964
such increase or reduction, and the terms and provisions of the 3965
agreement, and a copy of the agreement shall be filed with the 3966
state racing commission. 3967

Sec. 3769.0810. (A) As used in this section: 3968

(1) "Collection and settlement agent" means the permit holder 3969
designated by the state racing commission under division (B) of 3970
this section. 3971

(2) "Racing week" means a seven-day period commencing on a 3972
Monday and ending on a Sunday. 3973

(3) "Simulcast guest" and "simulcast host" have the same 3974
meanings as in section 3769.089 of the Revised Code. 3975

(4) "Satellite facility" has the same meaning as in section 3976
3769.25 of the Revised Code. 3977

(5) "Settlement of wagering accounts" means the exchange of 3978
funds in order to equalize payments of winning wagers at all 3979
tracks and facilities participating in a common pari-mutuel pool. 3980

(B) The Except as provided in division (K) of this section, 3981
the state racing commission shall annually appoint as the 3982
collection and settlement agent one or more permit holders of 3983
tracks that hold no fewer than three fifty-six-day permits issued 3984
under section 3769.07 of the Revised Code. The collection and 3985
settlement agent shall give a cash or surety bond payable to the 3986
treasurer of state in an amount set by the commission for the 3987
performance of its duties under this section, and the bond shall 3988

be filed with the commission. 3989

(C)(1) At the close of each day, each permit holder acting as 3990
a simulcast guest shall pay, by check, draft, or money order, or 3991
by wire transfer of funds, out of the money retained on that day 3992
to the collection and settlement agent an amount equal to one-half 3993
of one per cent of the total of all moneys wagered on that day on 3994
out-of-state simulcast racing programs simulcast to the simulcast 3995
guest from a simulcast host, to reimburse the simulcast host for 3996
administrative and simulcast costs. 3997

(2) Within five business days after the close of each racing 3998
week, the collection and settlement agent shall pay and distribute 3999
to each simulcast host operating during that racing week its pro 4000
rata share of the fees collected from simulcast guests during that 4001
racing week. If a simulcast host acted as a host for day-simulcast 4002
racing programs only, then its share of the fees collected by the 4003
collection and settlement agent shall be computed and based on 4004
fees paid by simulcast guests offering such day-simulcast racing 4005
programs at their tracks. If a simulcast host acted as a simulcast 4006
host for evening-simulcast racing programs only, then its share of 4007
the fees shall be computed and based on fees paid by simulcast 4008
guests offering such evening-simulcast racing programs at their 4009
tracks. In making a calculation of the amount of fees to be 4010
distributed to simulcast hosts, the collection and settlement 4011
agent shall allocate equally between the accounts of simulcast 4012
hosts conducting only day-simulcast racing programs and only 4013
evening-simulcast racing programs those fees received by the agent 4014
from simulcast guests for simulcast racing programs that commenced 4015
on or after three p.m. and on or before ~~before~~ four p.m. The times 4016
listed in division (C)(2) of this section are standard time as 4017
described in section 1.04 of the Revised Code and in the "Uniform 4018
Time Act of 1966," 80 Stat. 107, 15 U.S.C. 260 to 265. 4019

(D)(1) At the close of each day, each permit holder shall 4020

pay, by check, draft, or money order, or by wire transfer of 4021
funds, out of the money retained on that day to the collection and 4022
settlement agent the intrastate simulcast fee provided in division 4023
(D) of section 3769.089 of the Revised Code in the amount equal to 4024
one and three-eighths per cent of the total of all moneys wagered 4025
on that day at its track or enclosure on live races conducted in 4026
this state and simulcast to its facility. 4027

(2) Within five business days after the close of each racing 4028
week, the collection and settlement agent shall pay and distribute 4029
to permit holders that conducted live racing programs in this 4030
state during that racing week their share of the fees collected 4031
from other permit holders for that racing week. 4032

(E) At the close of each day, each permit holder and 4033
satellite facility shall pay, by check, draft, or money order, or 4034
by wire transfer of funds, out of the money retained on that day 4035
to the collection and settlement agent a sum equal to required 4036
fees due to tracks, racing associations, or state regulatory 4037
agencies located outside this state for races simulcast into this 4038
state based on the totals of all money wagered that day at its 4039
track or enclosure or satellite facility on simulcast racing 4040
programs of races conducted outside this state. The collection and 4041
settlement agent shall inform the permit holders and the satellite 4042
facilities each day of the fee charged by each track, racing 4043
association, or state regulatory agency located outside this state 4044
for the simulcast of simulcast racing programs on races conducted 4045
outside this state and simulcast into this state. The collection 4046
and settlement agent shall be responsible for paying and 4047
disbursing to these tracks, racing associations, and state 4048
regulatory agencies on a timely basis the fees collected by it 4049
from permit holders and satellite facilities under this division. 4050

(F) On or before the tenth day of each month, the collection 4051
and settlement agent shall file a report with the state racing 4052

commission showing all of the following: 4053

(1) All collections of moneys and fees from permit holders 4054
and satellite facilities during the preceding calendar month; 4055

(2) All payments and disbursements made by the agent to 4056
permit holders operating as simulcast hosts and the method of 4057
calculation of the share of each simulcast host; 4058

(3) All payments and disbursements of required fees to 4059
tracks, racing associations, and state regulatory agencies located 4060
outside this state from which there were simulcasts of simulcast 4061
racing programs into this state; 4062

(4) Such other information regarding the performance of its 4063
duties under this section as the commission may request. 4064

(G) All moneys and fees received and collected by the 4065
collection and settlement agent shall be deposited into, and 4066
disbursed from, separate bank accounts maintained with banks 4067
domiciled in this state established by the agent for this purpose, 4068
and no other funds or money of the agent or any other person shall 4069
be commingled with, deposited into, or withdrawn from the 4070
accounts. The collection and settlement agent may retain as its 4071
fee for services it provides and expenses it incurs in the 4072
performance of its duties under this section any interest earned 4073
on the bank accounts maintained by the agent under this division. 4074
The commission shall annually audit the bank account records, and 4075
the books and records, of the collection and settlement agent. 4076

(H)(1) The collection and settlement agent shall assist 4077
permit holders and satellite facilities in the settlement of 4078
wagering accounts between and among simulcast hosts, simulcast 4079
guests, and satellite facilities for intrastate simulcast racing 4080
programs. 4081

(2) The collection and settlement agent on behalf of all 4082
permit holders and satellite facilities operating in this state 4083

shall be responsible for the settlement of wagering accounts for 4084
interstate simulcast racing programs with all tracks, racing 4085
associations, and state regulatory agencies located outside this 4086
state. The agent shall notify each permit holder and satellite 4087
facility not less frequently than weekly of the amounts that may 4088
be due from it, or the amounts that may be due to it, for the 4089
settlement of wagering accounts on interstate simulcast racing 4090
programs simulcast into this state during the preceding race week. 4091
If a permit holder or satellite facility owes money for the 4092
settlement of wagering accounts for that racing week, it shall 4093
promptly pay, by check, draft, or money order, or by wire transfer 4094
of funds, to the agent the amount due. From the amounts it 4095
collects, the agent shall pay and disburse to permit holders and 4096
satellite facilities and to tracks, racing associations, and state 4097
regulatory agencies located outside this state, the amounts 4098
necessary to provide for the settlement of wagering accounts for 4099
that racing week. 4100

(I) If a permit holder or satellite facility fails to timely 4101
pay and remit to the collection and settlement agent the money and 4102
fees provided for in this section and in sections 3769.089 and 4103
3769.26 of the Revised Code, the agent shall promptly notify the 4104
commission, or if the collection and settlement agent fails to 4105
collect, pay, disburse, and account for, the moneys and fees in 4106
the manner provided for in this section, then in any such event or 4107
occurrence, based on the information in the commission's 4108
possession, the commission may issue an emergency order 4109
prohibiting the permit holder, satellite facility, or agent, as 4110
the case may be, from serving as a simulcast host or simulcast 4111
guest or from receiving any simulcast racing program, and 4112
conducting wagering thereon, at its track or satellite facility, 4113
until such time as the permit holder, satellite facility, or agent 4114
complies with the requirements of this section and sections 4115
3769.089 and 3769.26 of the Revised Code in the manner and to the 4116

extent set forth in the commission's order. In addition, the 4117
commission may make an assessment against the permit holder, 4118
satellite facility, or agent, as the case may be, based on 4119
information in the commission's possession. The commission shall 4120
give the party assessed written notice of the assessment by 4121
personal service or certified mail. All assessments not paid 4122
within thirty days after service of the notice of assessment, 4123
shall bear interest at the rate per annum prescribed by section 4124
5703.47 of the Revised Code computed from and after the date the 4125
assessment is made by the commission and entered in its official 4126
records until paid. 4127

Unless the party to whom the notice of assessment is directed 4128
files with the commission, within thirty days after service of the 4129
notice of assessment, either personally or by certified mail, a 4130
petition for reassessment in writing, signed by the party 4131
assessed, or by the party's authorized agent having knowledge of 4132
the facts, the assessment shall become conclusive and the amount 4133
of the assessment, together with interest on it, shall be due and 4134
payable from the party assessed to the commission. The petition 4135
shall indicate the objections of the party assessed, but 4136
additional objections may be raised in writing if received prior 4137
to the date shown on the final determination by the commission. 4138

Unless the petitioner waives a hearing, the commission shall 4139
assign a time and place for the hearing on the petition and notify 4140
the petitioner of the time and place of the hearing by personal 4141
service or certified mail, but the commission may continue the 4142
hearing from time to time if necessary. 4143

The commission may make such correction to its assessment as 4144
it finds proper. The commission shall serve a copy of its final 4145
determination on the petitioner by personal service or certified 4146
mail, and its decision in the matter is final, subject to appeal 4147
under section 119.12 of the Revised Code. 4148

After an assessment becomes final, if any portion of the 4149
assessment, or interest due on it, remains unpaid, a certified 4150
copy of the commission's entry making the assessment final may be 4151
filed in the office of the clerk of the court of common pleas in 4152
the county in which the track for which the permit was issued is 4153
located or the county in which the party assessed resides or has 4154
its principal place of business. If the party assessed maintains 4155
no place of business in this state and is not a resident of this 4156
state, the certified copy of the entry may be filed in the office 4157
of the clerk of the court of common pleas of Franklin county. The 4158
clerk, immediately upon the filing of such entry, shall enter a 4159
judgment for the state against the party assessed in the amount 4160
shown on the entry. 4161

From the date of the filing of the entry in the clerk's 4162
office, any unpaid portion of the assessment, including the 4163
interest, shall bear interest at the rate per annum prescribed in 4164
section 5703.47 of the Revised Code and shall have the same effect 4165
as other judgments. Execution shall issue upon the judgment upon 4166
request of the commission, and all laws applicable to sales on 4167
execution apply to sales made under the judgment. 4168

If the judgment is entered against the collection and 4169
settlement agent, the commission may immediately proceed against 4170
the agent's bond and surety for the full amount of the judgment 4171
and interest on it. 4172

Any assessment, including interest on it, paid to or 4173
collected by the commission shall be deposited with the treasurer 4174
of state to the account of the commission, and the fee portion of 4175
such amount shall be distributed by the treasurer of state on 4176
order of the commission to the collection and settlement agent or 4177
to the permit holders and satellite facilities entitled to receive 4178
such fees, as the case may be under the circumstances. 4179

(J) The commission may adopt rules for the implementation and 4180

administration of this section. 4181

(K)(1) Notwithstanding any other provision of this section, 4182
after sixty days notification to the commission, a permit holder 4183
may take responsibility for handling any payments and 4184
distributions required of a collection and settlement agent under 4185
this section for any or all related permits under common ownership 4186
in lieu of making the required payments and distributions through 4187
the collection and settlement agent designated by the state racing 4188
commission under division (B) of this section. 4189

(2) Any permit holder having responsibility for payments and 4190
distributions required under division (K)(1) of this section 4191
shall, on or before the tenth day of each month, file a report 4192
with the state racing commission showing the following: 4193

(a) All payments and disbursements made by the permit holder 4194
to permit holders operating as simulcast hosts and the method of 4195
calculation of the share of each simulcast host; 4196

(b) All payments and disbursements of required fees to 4197
tracks, racing associations, and state regulatory agencies located 4198
outside this state from which there were simulcasts of simulcast 4199
racing programs into the permit holder facilities; 4200

(c) Such other information regarding the performance of the 4201
permit holder's duties under this section as the commission may 4202
request. 4203

(3) A permit holder having responsibility for payments and 4204
distributions required under division (K)(1) of this section may 4205
utilize an authorized agent to make the required payments and 4206
distributions. 4207

Sec. 3769.0812. Beginning in the calendar year after the 4208
first calendar year in which all thoroughbred permit holders 4209
receive a commission as a lottery sales agent for conducting video 4210

| | | | | | | |
|--|-------------------|--------------------|--------------------|---------------|---------------|------|
| <u>lottery terminal gaming on behalf of the state or on January 1,</u> | | | | | | 4211 |
| <u>2015, whichever occurs first, the fees to be paid to thoroughbred</u> | | | | | | 4212 |
| <u>jockeys shall be according to the following schedule:</u> | | | | | | 4213 |
| <u>Purse</u> | <u>Winning</u> | <u>Second</u> | <u>Third Mount</u> | <u>Fourth</u> | <u>Losing</u> | 4214 |
| | <u>Mount</u> | <u>Mount</u> | | <u>Mount</u> | <u>Mount</u> | |
| <u>Up to</u> | <u>10% of win</u> | <u>\$65</u> | <u>\$60</u> | <u>\$55</u> | <u>\$50</u> | 4215 |
| <u>\$5,999</u> | <u>purse</u> | | | | | |
| <u>\$6,000 to</u> | <u>10% of win</u> | <u>\$75</u> | <u>\$70</u> | <u>\$65</u> | <u>\$60</u> | 4216 |
| <u>\$7,799</u> | <u>purse</u> | | | | | |
| <u>\$10,000 to</u> | <u>10% of win</u> | <u>5% of place</u> | <u>\$75</u> | <u>\$70</u> | <u>\$65</u> | 4217 |
| <u>\$17,999</u> | <u>purse</u> | <u>purse</u> | | | | |
| <u>\$18,000 to</u> | <u>10% of win</u> | <u>5% of place</u> | <u>5% of show</u> | <u>\$85</u> | <u>\$80</u> | 4218 |
| <u>\$24,999</u> | <u>purse</u> | <u>purse</u> | <u>purse</u> | | | |
| <u>\$25,000 to</u> | <u>10% of win</u> | <u>5% of place</u> | <u>5% of show</u> | <u>\$95</u> | <u>\$85</u> | 4219 |
| <u>\$49,999</u> | <u>purse</u> | <u>purse</u> | <u>purse</u> | | | |
| <u>\$50,000 to</u> | <u>10% of win</u> | <u>5% of place</u> | <u>5% of show</u> | <u>\$100</u> | <u>\$90</u> | 4220 |
| <u>\$74,999</u> | <u>purse</u> | <u>purse</u> | <u>purse</u> | | | |
| <u>\$75,000 and</u> | <u>10% of win</u> | <u>5% of place</u> | <u>5% of show</u> | <u>5% of</u> | <u>\$105</u> | 4221 |
| <u>up</u> | <u>purse</u> | <u>purse</u> | <u>purse</u> | <u>fourth</u> | | |
| | | | | <u>purse</u> | | |

As used in this section, "win purse" means the amount paid 4222
the winning horse less the fees paid by the owner to enter the 4223
horse in the race. 4224

Sec. 3770.02. (A) Subject to the advice and consent of the 4225
 senate, the governor shall appoint a director of the state lottery 4226
 commission who shall serve at the pleasure of the governor. The 4227
 director shall devote full time to the duties of the office and 4228
 shall hold no other office or employment. The director shall meet 4229
 all requirements for appointment as a member of the commission and 4230
 shall, by experience and training, possess management skills that 4231
 equip the director to administer an enterprise of the nature of a 4232

state lottery. The director shall receive an annual salary in 4233
accordance with pay range 48 of section 124.152 of the Revised 4234
Code. 4235

(B)(1) The director shall attend all meetings of the 4236
commission and shall act as its secretary. The director shall keep 4237
a record of all commission proceedings and shall keep the 4238
commission's records, files, and documents at the commission's 4239
principal office. All records of the commission's meetings shall 4240
be available for inspection by any member of the public, upon a 4241
showing of good cause and prior notification to the director. 4242

(2) The director shall be the commission's executive officer 4243
and shall be responsible for keeping all commission records and 4244
supervising and administering the state lottery in accordance with 4245
this chapter, and carrying out all commission rules adopted under 4246
section 3770.03 of the Revised Code. 4247

(C)(1) The director shall appoint an assistant director, 4248
deputy directors of marketing, operations, sales, finance, public 4249
relations, security, and administration, and as many regional 4250
managers as are required. The director may also appoint necessary 4251
professional, technical, and clerical assistants. All such 4252
officers and employees shall be appointed and compensated pursuant 4253
to Chapter 124. of the Revised Code. Regional and assistant 4254
regional managers, sales representatives, and any lottery 4255
executive account representatives shall remain in the unclassified 4256
service. 4257

(2) The director, in consultation with the director of 4258
administrative services, may establish standards of proficiency 4259
and productivity for commission field representatives. 4260

(D) The director shall request the bureau of criminal 4261
identification and investigation, the department of public safety, 4262
or any other state, local, or federal agency to supply the 4263

director with the criminal records of any job applicant and may 4264
periodically request the criminal records of commission employees. 4265
At or prior to the time of making such a request, the director 4266
shall require a job applicant or commission employee to obtain 4267
fingerprint cards prescribed by the superintendent of the bureau 4268
of criminal identification and investigation at a qualified law 4269
enforcement agency, and the director shall cause these fingerprint 4270
cards to be forwarded to the bureau of criminal identification and 4271
investigation and the federal bureau of investigation. The 4272
commission shall assume the cost of obtaining the fingerprint 4273
cards and shall pay to each agency supplying criminal records for 4274
each investigation under this division a reasonable fee, as 4275
determined by the agency. 4276

(E) The director shall license lottery sales agents pursuant 4277
to section 3770.05 of the Revised Code and, when it is considered 4278
necessary, may revoke or suspend the license of any lottery sales 4279
agent. The director may license video lottery technology 4280
providers, independent testing laboratories, and gaming employees, 4281
and promulgate rules relating thereto. When the director considers 4282
it necessary, the director may suspend or revoke the license of a 4283
video lottery technology provider, independent testing laboratory, 4284
or gaming employee, including suspension or revocation without 4285
affording an opportunity for a prior hearing under section 119.07 4286
of the Revised Code when the public safety, convenience, or trust 4287
requires immediate action. 4288

(F) The director shall confer at least once each month with 4289
the commission, at which time the director shall advise it 4290
regarding the operation and administration of the lottery. The 4291
director shall make available at the request of the commission all 4292
documents, files, and other records pertaining to the operation 4293
and administration of the lottery. The director shall prepare and 4294
make available to the commission each month a complete and 4295

accurate accounting of lottery revenues, prize money disbursements 4296
and the cost of goods and services awarded as prizes, operating 4297
expenses, and all other relevant financial information, including 4298
an accounting of all transfers made from any lottery funds in the 4299
custody of the treasurer of state to benefit education. 4300

(G) The director may enter into contracts for the operation 4301
or promotion of the lottery pursuant to Chapter 125. of the 4302
Revised Code. 4303

(H)(1) Pursuant to rules adopted by the commission under 4304
section 3770.03 of the Revised Code, the director shall require 4305
any lottery sales agents to either mail directly to the commission 4306
or deposit to the credit of the state lottery fund, in banking 4307
institutions designated by the treasurer of state, net proceeds 4308
due the commission as determined by the director, and to file with 4309
the director or the director's designee reports of their receipts 4310
and transactions in the sale of lottery tickets in the form 4311
required by the director. 4312

(2) Pursuant to rules adopted by the commission under Chapter 4313
119. of the Revised Code, the director may impose penalties for 4314
the failure of a sales agent to transfer funds to the commission 4315
in a timely manner. Penalties may include monetary penalties, 4316
immediate suspension or revocation of a license, or any other 4317
penalty the commission adopts by rule. 4318

(I) The director may arrange for any person, or any banking 4319
institution, to perform functions and services in connection with 4320
the operation of the lottery as the director may consider 4321
necessary to carry out this chapter. 4322

(J)(1) As used in this chapter, "statewide joint lottery 4323
game" means a lottery game that the commission sells solely within 4324
this state under an agreement with other lottery jurisdictions to 4325
sell the same lottery game solely within their statewide or other 4326

jurisdictional boundaries. 4327

(2) If the governor directs the director to do so, the 4328
director shall enter into an agreement with other lottery 4329
jurisdictions to conduct statewide joint lottery games. If the 4330
governor signs the agreement personally or by means of an 4331
authenticating officer pursuant to section 107.15 of the Revised 4332
Code, the director then may conduct statewide joint lottery games 4333
under the agreement. 4334

(3) The entire net proceeds from any statewide joint lottery 4335
games shall be used to fund elementary, secondary, vocational, and 4336
special education programs in this state. 4337

(4) The commission shall conduct any statewide joint lottery 4338
games in accordance with rules it adopts under division (B)(5) of 4339
section 3770.03 of the Revised Code. 4340

(K)(1) The director shall enter into an agreement with the 4341
department of alcohol and drug addiction services under which the 4342
department shall provide a program of gambling addiction services 4343
on behalf of the commission. The commission shall pay the costs of 4344
the program provided pursuant to the agreement. 4345

(2) As used in this section, "gambling addiction services" 4346
has the same meaning as in section 3793.01 of the Revised Code. 4347

Sec. 3770.05. (A) As used in this section, "person" means any 4348
person, association, corporation, partnership, club, trust, 4349
estate, society, receiver, trustee, person acting in a fiduciary 4350
or representative capacity, instrumentality of the state or any of 4351
its political subdivisions, or any other combination of 4352
individuals meeting the requirements set forth in this section or 4353
established by rule or order of the state lottery commission. 4354

(B) The director of the state lottery commission may license 4355
any person as a lottery sales agent. No license shall be issued to 4356

any person or group of persons to engage in the sale of lottery tickets as the person's or group's sole occupation or business. 4357
4358

Before issuing any license to a lottery sales agent, the director shall consider all of the following: 4359
4360

(1) The financial responsibility and security of the applicant and the applicant's business or activity; 4361
4362

(2) The accessibility of the applicant's place of business or activity to the public; 4363
4364

(3) The sufficiency of existing licensed agents to serve the public interest; 4365
4366

(4) The volume of expected sales by the applicant; 4367

(5) Any other factors pertaining to the public interest, convenience, or trust. 4368
4369

(C) Except as otherwise provided in division (F) of this section, the director of the state lottery commission shall refuse to grant, or shall suspend or revoke, a license if the applicant or licensee: 4370
4371
4372
4373

(1) Has been convicted of a felony or has been convicted of a crime involving moral turpitude; 4374
4375

(2) Has been convicted of an offense that involves illegal gambling; 4376
4377

(3) Has been found guilty of fraud or misrepresentation in any connection; 4378
4379

(4) Has been found to have violated any rule or order of the commission; or 4380
4381

(5) Has been convicted of illegal trafficking in supplemental nutrition assistance program benefits. 4382
4383

(D) Except as otherwise provided in division (F) of this section, the director of the state lottery commission shall refuse 4384
4385

to grant, or shall suspend or revoke, a license if the applicant 4386
or licensee is a corporation and any of the following applies: 4387

(1) Any of the corporation's directors, officers, or 4388
controlling shareholders has been found guilty of any of the 4389
activities specified in divisions (C)(1) to (5) of this section; 4390

(2) It appears to the director of the state lottery 4391
commission that, due to the experience, character, or general 4392
fitness of any director, officer, or controlling shareholder of 4393
the corporation, the granting of a license as a lottery sales 4394
agent would be inconsistent with the public interest, convenience, 4395
or trust; 4396

(3) The corporation is not the owner or lessee of the 4397
business at which it would conduct a lottery sales agency pursuant 4398
to the license applied for; 4399

(4) Any person, firm, association, or corporation other than 4400
the applicant or licensee shares or will share in the profits of 4401
the applicant or licensee, other than receiving dividends or 4402
distributions as a shareholder, or participates or will 4403
participate in the management of the affairs of the applicant or 4404
licensee. 4405

(E)(1) The director of the state lottery commission shall 4406
refuse to grant a license to an applicant for a lottery sales 4407
agent license and shall revoke a lottery sales agent license if 4408
the applicant or licensee is or has been convicted of a violation 4409
of division (A) or (C)(1) of section 2913.46 of the Revised Code. 4410

(2) The director shall refuse to grant a license to an 4411
applicant for a lottery sales agent license that is a corporation 4412
and shall revoke the lottery sales agent license of a corporation 4413
if the corporation is or has been convicted of a violation of 4414
division (A) or (C)(1) of section 2913.46 of the Revised Code. 4415

(F) The director of the state lottery commission shall 4416

request the bureau of criminal identification and investigation, 4417
the department of public safety, or any other state, local, or 4418
federal agency to supply the director with the criminal records of 4419
any applicant for a lottery sales agent license, and may 4420
periodically request the criminal records of any person to whom a 4421
lottery sales agent license has been issued. At or prior to the 4422
time of making such a request, the director shall require an 4423
applicant or licensee to obtain fingerprint impressions on 4424
fingerprint cards prescribed by the superintendent of the bureau 4425
of criminal identification and investigation at a qualified law 4426
enforcement agency, and the director shall cause those fingerprint 4427
cards to be forwarded to the bureau of criminal identification and 4428
investigation, to the federal bureau of investigation, or to both 4429
bureaus. The commission shall assume the cost of obtaining the 4430
fingerprint cards. 4431

The director shall pay to each agency supplying criminal 4432
records for each investigation a reasonable fee, as determined by 4433
the agency. 4434

The commission may adopt uniform rules specifying time 4435
periods after which the persons described in divisions (C)(1) to 4436
(5) and (D)(1) to (4) of this section may be issued a license and 4437
establishing requirements for those persons to seek a court order 4438
to have records sealed in accordance with law. 4439

(G)(1) Each applicant for a lottery sales agent license shall 4440
do both of the following: 4441

(a) Pay fees to the state lottery commission, if required by 4442
rule adopted by the director under Chapter 119. of the Revised 4443
Code and the permanent joint committee on gaming and wagering 4444
reviews and the controlling board approves the fees; 4445

(b) Prior to approval of the application, obtain a surety 4446
bond in an amount the director determines by rule adopted under 4447

Chapter 119. of the Revised Code or, alternatively, with the 4448
director's approval, deposit the same amount into a dedicated 4449
account for the benefit of the state lottery. The director also 4450
may approve the obtaining of a surety bond to cover part of the 4451
amount required, together with a dedicated account deposit to 4452
cover the remainder of the amount required. The director also may 4453
establish an alternative program or policy, with the approval of 4454
the commission by rule adopted under Chapter 119. of the Revised 4455
Code, that otherwise ensures the lottery's financial interests are 4456
adequately protected. If such an alternative program or policy is 4457
established, an applicant or lottery sales agent, subject to the 4458
director's approval, may be permitted to participate in the 4459
program or proceed under that policy in lieu of providing a surety 4460
bond or dedicated amount. 4461

A surety bond may be with any company that complies with the 4462
bonding and surety laws of this state and the requirements 4463
established by rules of the commission pursuant to this chapter. A 4464
dedicated account deposit shall be conducted in accordance with 4465
policies and procedures the director establishes. 4466

A surety bond, dedicated account, other established program 4467
or policy, or both any combination of these resources, as 4468
applicable, may be used to pay for the lottery sales agent's 4469
failure to make prompt and accurate payments for lottery ticket 4470
sales, for missing or stolen lottery tickets, for damage to 4471
equipment or materials issued to the lottery sales agent, or to 4472
pay for expenses the commission incurs in connection with the 4473
lottery sales agent's license. 4474

(2) A lottery sales agent license is effective for at least 4475
one year, but not more than three years. 4476

A licensed lottery sales agent, on or before the date 4477
established by the director, shall renew the agent's license and 4478
provide at that time evidence to the director that the surety 4479

bond, dedicated account deposit, or both, required under division 4480
(G)(1)(b) of this section has been renewed or is active, whichever 4481
applies. 4482

Before the commission renews a lottery sales agent license, 4483
the lottery sales agent shall submit a renewal fee to the 4484
commission, if one is required by rule adopted by the director 4485
under Chapter 119. of the Revised Code and the permanent joint 4486
committee on gaming and wagering reviews and the controlling board 4487
approves the renewal fee. The renewal fee shall not exceed the 4488
actual cost of administering the license renewal and processing 4489
changes reflected in the renewal application. The renewal of the 4490
license is effective for ~~up to~~ at least one year, but not more 4491
than three years. 4492

(3) A lottery sales agent license shall be complete, 4493
accurate, and current at all times during the term of the license. 4494
Any changes to an original license application or a renewal 4495
application may subject the applicant or lottery sales agent, as 4496
applicable, to paying an administrative fee that shall be in an 4497
amount that the director determines by rule adopted under Chapter 4498
119. of the Revised Code, that the permanent joint committee on 4499
gaming and wagering reviews and that the controlling board 4500
approves, and that shall not exceed the actual cost of 4501
administering and processing the changes to an application. 4502

(4) The relationship between the commission and a lottery 4503
sales agent is one of trust. A lottery sales agent collects funds 4504
on behalf of the commission through the sale of lottery tickets 4505
for which the agent receives a compensation. 4506

(H) Pending a final resolution of any question arising under 4507
this section, the director of the state lottery commission may 4508
issue a temporary lottery sales agent license, subject to the 4509
terms and conditions the director considers appropriate. 4510

(I) If a lottery sales agent's rental payments for the 4511
lottery sales agent's premises are determined, in whole or in 4512
part, by the amount of retail sales the lottery sales agent makes, 4513
and if the rental agreement does not expressly provide that the 4514
amount of those retail sales includes the amounts the lottery 4515
sales agent receives from lottery ticket sales, only the amounts 4516
the lottery sales agent receives as compensation from the state 4517
lottery commission for selling lottery tickets shall be considered 4518
to be amounts the lottery sales agent receives from the retail 4519
sales the lottery sales agent makes, for the purpose of computing 4520
the lottery sales agent's rental payments. 4521

Sec. 3770.07. (A)(1) Except as provided in division (A)(2) of 4522
this section, lottery prize awards shall be claimed by the holder 4523
of the winning lottery ~~ticket~~ product, or by the executor or 4524
administrator, or the trustee of a trust, of the estate of a 4525
deceased holder of a winning lottery ~~ticket~~ product, in a manner 4526
to be determined by the state lottery commission, within one 4527
hundred eighty days after the date on which the prize award was 4528
announced if the lottery game is an online game, and within one 4529
hundred eighty days after the close of the game if the lottery 4530
game is an instant game. 4531

~~No~~ Any lottery prize award with a value that meets or exceeds 4532
~~five hundred ninety nine dollars~~ the reportable winnings amounts 4533
set by 26 U.S.C. 6041, or a subsequent analogous section of the 4534
Internal Revenue Code, shall not be claimed by or paid to any 4535
person, as defined in section 1.59 of the Revised Code or as 4536
defined by rule or order of the state lottery commission, until 4537
the name, address, and social security number of each beneficial 4538
owner of the prize award are ~~disclosed to~~ documented for the 4539
commission. Except when a beneficial owner otherwise consents in 4540
writing, in the case of a claim for a lottery prize award made by 4541
one or more beneficial owners using a trust, the name, address, 4542

and social security number of each such beneficial owner in the 4543
commission's records as a result of such a disclosure are 4544
confidential and shall not be subject to inspection or copying 4545
under section 149.43 of the Revised Code as a public record. 4546

Except as otherwise provided in division (A)(1) of this 4547
section or as otherwise provided by law, the name and address of 4548
any individual claiming a lottery prize award are subject to 4549
inspection or copying under section 149.43 of the Revised Code as 4550
a public record. 4551

(2) An eligible person serving on active military duty in any 4552
branch of the United States armed forces during a war or national 4553
emergency declared in accordance with federal law may submit a 4554
delayed claim for a lottery prize award. The eligible person shall 4555
do so by notifying the state lottery commission about the claim 4556
not later than the five hundred fortieth day after the date on 4557
which the prize award was announced if the lottery game is an 4558
online game or after the date on which the lottery game closed if 4559
the lottery game is an instant game. 4560

(3) If no valid claim to a lottery prize award is made within 4561
the prescribed period, the prize money, the cost of goods and 4562
services awarded as prizes, or, if goods or services awarded as 4563
prizes are resold by the state lottery commission, the proceeds 4564
from their sale shall be returned to the state lottery fund and 4565
distributed in accordance with section 3770.06 of the Revised 4566
Code. 4567

(4) The state lottery commission may share with other 4568
governmental agencies the name, address, and social security 4569
number of a beneficial owner disclosed to the commission under 4570
division (A)(1) of this section, as authorized under sections 4571
3770.071 and 3770.073 of the Revised Code. Any shared information 4572
as disclosed pursuant to those sections that is made confidential 4573
by division (A)(1) of this section remains confidential and shall 4574

not be subject to inspection or copying under section 149.43 of 4575
the Revised Code as a public record unless the applicable 4576
beneficial owner otherwise provides written consent. 4577

(5) As used in this division: 4578

(a) "Eligible person" means a person who is entitled to a 4579
lottery prize award and who falls into either of the following 4580
categories: 4581

(i) While on active military duty in this state, the person, 4582
as the result of a war or national emergency declared in 4583
accordance with federal law, is transferred out of this state 4584
before the one hundred eightieth day after the date on which the 4585
winner of the lottery prize award is selected. 4586

(ii) While serving in the reserve forces in this state, the 4587
person, as the result of a war or national emergency declared in 4588
accordance with federal law, is placed on active military duty and 4589
is transferred out of this state before the expiration of the one 4590
hundred eightieth day after the date on which the prize drawing 4591
occurs for an online game or before the expiration of the one 4592
hundred eightieth day following the close of an instant game as 4593
determined by the commission. 4594

(b) "Active military duty" means that a person is covered by 4595
the "Servicemembers Civil Relief Act," 117 Stat. 2835 (2003), 50 4596
U.S.C. 501 et seq., as amended, or the "Uniformed Services 4597
Employment and Reemployment Rights Act of 1994," 108 Stat. 3149, 4598
38 U.S.C. 4301 et seq., as amended. 4599

(c) "Each beneficial owner" means the ultimate recipient or, 4600
if there is more than one, each ultimate recipient of a lottery 4601
prize award. 4602

(B) If a prize winner, as defined in section 3770.10 of the 4603
Revised Code, is under eighteen years of age, or is under some 4604
other legal disability, and the prize money or the cost of goods 4605

or services awarded as a prize exceeds one thousand dollars, the 4606
director of the state lottery commission shall order that payment 4607
be made to the order of the legal guardian of that prize winner. 4608
If the amount of the prize money or the cost of goods or services 4609
awarded as a prize is one thousand dollars or less, the director 4610
may order that payment be made to the order of the adult member, 4611
if any, of that prize winner's family legally responsible for the 4612
care of that prize winner. 4613

(C) No right of any prize winner, as defined in section 4614
3770.10 of the Revised Code, to a prize award shall be the subject 4615
of a security interest or used as collateral. 4616

(D)(1) No right of any prize winner, as defined in section 4617
3770.10 of the Revised Code, to a prize award shall be assignable 4618
except as follows: when the payment is to be made to the executor 4619
or administrator, or the trustee of a trust, of the estate of a 4620
~~winning ticket holder~~ prize winner; when the award of a prize is 4621
disputed, any person may be awarded a prize award to which another 4622
has claimed title, pursuant to the order of a court of competent 4623
jurisdiction; when a person is awarded a prize award to which 4624
another has claimed title, pursuant to the order of a federal 4625
bankruptcy court under Title 11 of the United States Code; or as 4626
provided in sections 3770.10 to 3770.14 of the Revised Code. 4627

(2)(a) No right of any prize winner, as defined in section 4628
3770.10 of the Revised Code, to a prize award with a remaining 4629
unpaid balance of less than one hundred thousand dollars shall be 4630
subject to garnishment, attachment, execution, withholding, or 4631
deduction except as provided in sections 3119.80, 3119.81, 4632
3121.02, 3121.03, and 3123.06 of the Revised Code or when the 4633
director is to make a payment pursuant to section 3770.071 or 4634
3770.073 of the Revised Code. 4635

(b) No right of any prize winner, as defined in section 4636
3770.10 of the Revised Code, to a prize award with an unpaid 4637

balance of one hundred thousand dollars or more shall be subject 4638
to garnishment, attachment, execution, withholding, or deduction 4639
except as follows: as provided in sections 3119.80, 3119.81, 4640
3121.02, 3121.03, and 3123.06 of the Revised Code; when the 4641
director is to make a payment pursuant to section 3770.071 or 4642
3770.073 of the Revised Code; or pursuant to the order of a court 4643
of competent jurisdiction located in this state in a proceeding in 4644
which the state lottery commission is a named party, in which case 4645
the garnishment, attachment, execution, withholding, or deduction 4646
pursuant to the order shall be subordinate to any payments to be 4647
made pursuant to section 3119.80, 3119.81, 3121.02, 3121.03, 4648
3123.06, 3770.071, or 3770.073 of the Revised Code. 4649

(3) The state lottery commission may adopt and amend rules 4650
pursuant to Chapter 119. of the Revised Code as necessary to 4651
implement division (D) of this section, to provide for payments 4652
from prize awards subject to garnishment, attachment, execution, 4653
withholding, or deduction, and to comply with any applicable 4654
requirements of federal law. 4655

(4) Upon making payments from a prize award as required by 4656
division (D) of this section, the director and the state lottery 4657
commission are discharged from all further liability for those 4658
payments, whether they are made to an executor, administrator, 4659
trustee, judgment creditor, or another person, or to the prize 4660
winner, as defined in section 3770.10 of the Revised Code. 4661

(5) The state lottery commission shall adopt rules pursuant 4662
to section 3770.03 of the Revised Code concerning the payment of 4663
prize awards upon the death of a prize winner, as defined in 4664
section 3770.10 of the Revised Code. Upon the death of a prize 4665
winner, the remainder of the prize winner's prize award, to the 4666
extent it is not subject to a transfer agreement under sections 4667
3770.10 to 3770.14 of the Revised Code, may be paid to the 4668
executor, administrator, or trustee in the form of a discounted 4669

lump sum cash settlement. 4670

(E) No lottery prize award shall be awarded to or for any 4671
officer or employee of the state lottery commission, any officer 4672
or employee of the auditor of state actively auditing, 4673
coordinating ~~and,~~ or certifying commission drawings, or any blood 4674
relative or spouse of such an officer or employee of the 4675
commission or auditor of state living as a member of the officer's 4676
or employee's household, nor shall any such officer, employee, 4677
blood relative, or spouse attempt to claim a lottery prize award. 4678

(F) The director may prohibit vendors to the state lottery 4679
commission and their employees from being awarded a lottery prize 4680
award. 4681

(G) Upon the payment of prize awards pursuant to a provision 4682
of this section, other than a provision of division (D) of this 4683
section, the director and the state lottery commission are 4684
discharged from all further liability for their payment. 4685
Installment payments of lottery prize awards shall be paid by 4686
official check or warrant, and they shall be sent by mail delivery 4687
to the prize winner's address within the United States or by 4688
electronic funds transfer to an established bank account located 4689
within the United States, or the prize winner may pick them up at 4690
an office of the commission. 4691

Sec. 3770.071. (A)(1) If the amount of the prize money or the 4692
cost of goods or services awarded as a lottery prize award ~~is six~~ 4693
~~hundred dollars or more~~ meets or exceeds the reportable winnings 4694
amounts set by 26 U.S.C. 6041, or a subsequent analogous section 4695
of the Internal Revenue Code, the director of the state lottery 4696
commission or the director's designee shall require the person 4697
entitled to the prize award to affirm in writing, under oath, or 4698
by electronic means, whether or not the person is in default under 4699
a support order. The director or the director's designee also may 4700

take any additional appropriate steps to determine if the person 4701
entitled to the prize award is in default under a support order. 4702
If the person entitled to the prize award affirms that the person 4703
is in default under a support order, or if the director or the 4704
director's designee determines that the person is in default under 4705
a support order, the director or the director's designee shall 4706
temporarily withhold payment of the prize award and notify the 4707
child support enforcement agency that administers the support 4708
order that the person is entitled to a prize award, of the amount 4709
of the prize award, and, if the prize award is to be paid in 4710
annual installments, of the number of installments. 4711

(2) Upon receipt of the notice from the director or the 4713
director's designee, the child support enforcement agency shall 4714
conduct an investigation to determine whether the person entitled 4715
to the lottery prize award is subject to a final and enforceable 4716
determination of default made under sections 3123.01 to 3123.07 of 4717
the Revised Code. If the agency determines that the person is so 4718
subject, it shall issue an intercept directive as described in 4719
section 3123.89 of the Revised Code to the director at lottery 4720
commission headquarters requiring the director or the director's 4721
designee to deduct from any unpaid prize award or any annual 4722
installment payment of an unpaid prize award, a specified amount 4723
for support in satisfaction of the support order under which the 4724
person is in default. To the extent possible, the amount specified 4725
to be deducted under the intercept directive shall satisfy the 4726
amount ordered for support in the support order under which the 4727
person is in default. 4728

A child support enforcement agency shall issue an intercept 4729
directive within thirty days from the date the director or the 4730
director's designee notifies the agency under division (A)(1) of 4731
this section. Within thirty days after the date on which the 4732

agency issues the intercept directive, the director or the 4733
director's designee shall pay the amount specified in the 4734
intercept directive to the office of child support in the 4735
department of job and family services. But, if the prize award is 4736
to be paid in annual installments, the director or the director's 4737
designee, on the date the next installment payment is due, shall 4738
deduct the amount specified in the intercept directive from that 4739
installment and, if necessary, any subsequent annual installments, 4740
at the time those installments become due and owing to the prize 4741
winner, and pay the amount to the office of child support. 4742

(B) As used in this section: 4743

(1) "Support order" has the same meaning as in section 4744
3119.01 of the Revised Code. 4745

(2) "Default" has the same meaning as in section 3121.01 of 4746
the Revised Code. 4747

(C) No person shall knowingly make a false affirmation or 4748
oath required by division (A) of this section. 4749

Sec. 3770.072. (A) As used in this section, "prize winner," 4750
"transferee," and "transferor" have the same meanings as in 4751
section 3770.10 of the Revised Code. 4752

(B) The state lottery commission shall deduct amounts from 4753
lottery prize awards and file returns in accordance with ~~section~~ 4754
sections 5747.062 and 5747.064 of the Revised Code and any rules 4755
adopted by the tax commissioner pursuant to ~~that section~~ those 4756
sections. This division also applies to lottery prize award 4757
payments the commission remits to transferees. 4758

(C)(1)(a) Each transferee shall deduct and withhold from each 4759
gross amount payable to each prize winner ~~six~~ four per cent of the 4760
gross amount payable prior to making any other reduction required 4761
by this chapter. 4762

(b) Subject to division (C)(1)(c) of this section, each transferee, including any transferee that is a related member, as defined in section 5733.042 of the Revised Code, to the transferor, shall deduct and withhold from each amount payable to a transferor that is not a prize winner ~~six~~ four per cent of the portion of the payment representing gain or income the transferor will recognize in connection with the payment.

(c) For purposes of division (C)(1)(b) of this section, the portion of any payment representing gain or income recognized by the transferor shall be computed in accordance with the Internal Revenue Code. The transferor shall prepare a written statement setting forth that amount and sign the statement under penalty of perjury. Within five days before the date on which the payment is to be made, the transferor shall deliver the written statement to the transferee and deliver a copy of the written statement to the tax commissioner. If the transferee does not receive the written statement by the time the payment is made, the transferee shall withhold ~~six~~ four per cent of the entire amount of the payment. If the tax commissioner notifies the transferee that the transferor has erroneously computed the amount of gain or income recognized, the transferee shall withhold ~~six~~ four per cent of the entire amount of each payment to be made after the transferee receives the notice.

(d) The tax commissioner may impose a penalty of up to one thousand dollars for any person failing to timely deliver to the tax commissioner the copy of the written statement as required by division (C)(1)(c) of this section. Proceeds from the imposition of the penalty shall be considered as revenue arising from the tax imposed under section 5733.06 or 5747.02 of the Revised Code, as applicable.

(2) With respect to amounts deducted and withheld pursuant to division (C)(1) of this section, each transferee shall comply with

divisions (A)(2) to (4) of section 5747.062 of the Revised Code. 4795

(3) An employee of a corporation, limited liability company, 4796
or business trust having control or supervision of or charged with 4797
the responsibility of filing the report and making the payment 4798
required by division (C) of this section and section 5747.062 of 4799
the Revised Code, or an officer, member, manager, or trustee of a 4800
corporation, limited liability company, or business trust who is 4801
responsible for the execution of the corporation's, limited 4802
liability company's, or business trust's fiscal responsibilities, 4803
shall be personally liable for failure to file the report or pay 4804
the amount due as required by division (C) of this section and 4805
section 5747.062 of the Revised Code. The dissolution, 4806
termination, or bankruptcy of a corporation, limited liability 4807
company, or business trust does not discharge a responsible 4808
officer's, member's, manager's, employee's, or trustee's liability 4809
for a failure of the corporation, limited liability company, or 4810
business trust to file returns or pay the amount due. 4811

(4)(a) The tax commissioner may make an assessment against 4812
any person listed in division (C)(1) or (3) of this section for 4813
any deficiency for any period. Section 5747.13 of the Revised Code 4814
shall apply with respect to issuing assessments, filing petitions 4815
for reassessments, conducting hearings, issuing final 4816
determinations, making the assessment final, and filing the entry 4817
that makes the assessment final. Section 5717.02 of the Revised 4818
Code shall apply to appeals of the commissioner's final decision 4819
in connection with assessments issued pursuant to division (C)(4) 4820
of this section. 4821

(b) An assessment issued against any person listed in 4822
division (C)(1) or (3) of this section shall not be considered an 4823
election of remedies or a bar to an assessment against any other 4824
person for the failure to comply with division (C)(1) of this 4825
section. No assessment shall be issued against any person who is 4826

so listed if the amount required to be withheld has been paid by 4827
another. 4828

(c) The assessment shall include interest at the rate per 4829
annum prescribed by section 5703.47 of the Revised Code on 4830
liability from the time the payment is due until the date of 4831
assessment. Interest shall continue to accrue from the date of 4832
assessment until the date the assessment is paid in full. Any 4833
interest accruing subsequent to the date of the issuance of the 4834
assessment shall be considered to be an additional deficiency for 4835
which the tax commissioner may issue subsequent assessments. The 4836
initial assessment and any subsequent assessments may include a 4837
penalty in an amount not to exceed twice the applicable interest 4838
charged under this division. 4839

Sec. 3770.073. (A) If a person is entitled to a lottery prize 4840
award and is indebted to the state for the payment of any tax, 4841
workers' compensation premium, unemployment contribution, payment 4842
in lieu of unemployment contribution, certified claim under 4843
section 131.02 or 131.021 of the Revised Code, or is indebted to a 4844
political subdivision that has a certified claim under section 4845
131.02 of the Revised Code, lottery sales receipts held in trust 4846
on behalf of the state lottery commission as described in division 4847
(G)(4) of section 3770.05 of the Revised Code, or charge, penalty, 4848
or interest arising from these debts and if the amount of the 4849
prize money or the cost of goods or services awarded as a lottery 4850
prize award is five thousand dollars or more, the director of the 4851
state lottery commission, or the director's designee, shall do 4852
either of the following: 4853

(1) If the prize award will be paid in a lump sum, deduct 4854
from the prize award and pay to the attorney general an amount in 4855
satisfaction of the debt and pay any remainder to that person. If 4856
the amount of the prize award is less than the amount of the debt, 4857

the entire amount of the prize award shall be deducted and paid in 4858
partial satisfaction of the debt. 4859

(2) If the prize award will be paid in annual installments, 4860
on the date the initial installment payment is due, deduct from 4861
that installment and pay to the attorney general an amount in 4862
satisfaction of the debt and, if necessary to collect the full 4863
amount of the debt, do the same for any subsequent annual 4864
installments, at the time the installments become due and owing to 4865
the person, until the debt is fully satisfied. 4866

(B) If a person entitled to a lottery prize award owes more 4867
than one debt, any debt owed to the state shall be satisfied 4868
first, subject to both section 5739.33 ~~or~~ and division (G) of 4869
section 5747.07 of the Revised Code ~~shall be satisfied first~~ 4870
having first priority, and subject to division (C) of this 4871
section. 4872

(C) Any debt owed under section 3770.071 of the Revised Code 4873
shall be satisfied with first priority over debts owed under this 4874
section. 4875

(D) Except as provided in section 131.021 of the Revised 4876
Code, this section applies only to debts that have become final. 4877

Sec. 3770.21. (A) As used in this section: 4878

(1) "Video lottery terminal" means any electronic device 4879
approved by the state lottery commission that provides immediate 4880
prize determinations for participants on an electronic display 4881
that is located at a facility owned by a holder of a permit as 4882
defined in rule 3769-1-05 of the Administrative Code. 4883

(2) "Video lottery terminal promotional gaming credit" means 4884
a video lottery terminal game credit, discount, or other similar 4885
item issued to a patron to enable the placement of, or increase 4886
in, a wager at a video lottery terminal. 4887

(3) "Video lottery terminal income" means credits played, 4888
minus approved video lottery terminal promotional gaming credits, 4889
minus video lottery prize awards. 4890

(B) The state lottery commission shall include, in 4891
conjunction with the state racing commission, in any rules adopted 4892
concerning video lottery terminals, the level of minimum 4893
investments that must be made by video lottery terminal ~~licensees~~ 4894
sales agents in the buildings, fixtures, equipment, 4895
facilities-related preparation, and grounds at the facilities, 4896
including temporary facilities, in which the terminals will be 4897
located, along with any standards and timetables for such 4898
investments. 4899

(C) A licensed video lottery sales agent may provide video 4900
lottery terminal promotional gaming credits to patrons for video 4901
lottery terminal gaming. Video lottery terminal promotional gaming 4902
credits shall be subject to approval by the director of the state 4903
lottery commission. 4904

(D) Video lottery terminal sales agents shall develop 4905
internal guidelines and controls for the purpose of giving 4906
minority business enterprises the ability to compete for the 4907
awarding of contracts to provide goods and services to those sales 4908
agents. As used in this division, "minority business enterprise" 4909
has the meaning defined in section 122.71 of the Revised Code. 4910

(E) No license or excise tax or fee not in effect on the 4911
effective date of this section shall be assessed upon or collected 4912
from a video lottery terminal ~~licensee~~ sales agent by any county, 4913
township, municipal corporation, school district, or other 4914
political subdivision of the state that has authority to assess or 4915
collect a tax or fee by reason of the video lottery terminal 4916
related conduct authorized by section 3770.03 of the Revised Code. 4917
This division does not prohibit the imposition of taxes under 4918
Chapter 718. or 3769. of the Revised Code. 4919

~~(D) The supreme court shall have exclusive, original jurisdiction over any claim (F)(1) Any action asserting that this section or section 3770.03 of the Revised Code or any portion of those sections or any rule adopted under those sections violates any provision of the Ohio Constitution, any shall be brought in the court of common pleas of Franklin county within ninety days after the effective date of the amendment of this section by H.B. 386 of the 129th general assembly or within ninety days after the effective day of any rule, as applicable.~~

~~(2) Any claim asserting that any action taken by the governor or the lottery commission pursuant to those sections violates any provision of the Ohio Constitution or any provision of the Revised Code, or any claim asserting that any portion of this section violates any provision of the Ohio Constitution. If any claim over which the supreme court is granted exclusive, original jurisdiction by this division is filed in any lower court, the claim shall be dismissed by the court on the ground that the court lacks jurisdiction to review it shall be brought in the court of common pleas of Franklin county within sixty days after the action is taken.~~

~~(3) Divisions (F)(1) and (2) of this section do not apply to any claim within the original jurisdiction of the supreme court or a court of appeals under Article IV of the Ohio Constitution.~~

~~(E) Should any portion of this section or of section 3770.03 of the Revised Code be found to be unenforceable or invalid, it shall be severed and the remaining portions remain in full force and effect.~~

~~(G) The court of common pleas of Franklin county shall give any claim filed under division (F)(1) or (2) of this section priority over all other civil cases before the court, irrespective of position on the court's calendar, and shall make a determination on the claim expeditiously. A court of appeals shall~~

give any appeal from a final order issued in a case brought 4952
pursuant to division (F) of this section priority over all other 4953
civil cases before the court, irrespective of position on the 4954
court's calendar, and shall make a determination on the appeal 4955
expeditiously. 4956

Sec. 3770.22. (A) Any information concerning the following 4957
that is submitted, collected, or gathered as part of an 4958
application to the state lottery commission for a video lottery 4959
related license under this chapter is confidential and not subject 4960
to disclosure by a state agency or political subdivision as a 4961
public record under section 149.43 of the Revised Code: 4962

(1) A dependent of an applicant; 4963

(2) The social security number, passport number, or federal 4964
tax identification number of an applicant or the spouse of an 4965
applicant; 4966

(3) The home address and telephone number of an applicant or 4967
the spouse or dependent of an applicant; 4968

(4) An applicant's birth certificate; 4969

(5) The driver's license number of an applicant or the 4970
applicant's spouse; 4971

(6) The name or address of a previous spouse of the 4972
applicant; 4973

(7) The date of birth of the applicant and the spouse of an 4974
applicant; 4975

(8) The place of birth of the applicant and the spouse of an 4976
applicant; 4977

(9) The personal financial information and records of an 4978
applicant or of an employee or the spouse or dependent of an 4979
applicant, including tax returns and information, and records of 4980

| | |
|---|--|
| <u>criminal proceedings;</u> | 4981 |
| <u>(10) Any information concerning a victim of domestic violence, sexual assault, or stalking;</u> | 4982 4983 |
| <u>(11) The electronic mail address of the spouse or family member of the applicant;</u> | 4984 4985 |
| <u>(12) Any trade secret, medical records, and patents or exclusive licenses;</u> | 4986 4987 |
| <u>(13) Security information, including risk prevention plans, detection and countermeasures, location of count rooms or other money storage areas, emergency management plans, security and surveillance plans, equipment and usage protocols, and theft and fraud prevention plans and countermeasures;</u> | 4988 4989 4990 4991 4992 |
| <u>(14) Information provided in a multijurisdictional personal history disclosure form, including the Ohio supplement, exhibits, attachments, and updates.</u> | 4993 4994 4995 |
| <u>(B) The individual's name, the individual's place of employment, the individual's job title, and the individual's gaming experience that is provided for an individual who holds, held, or has applied for a video lottery related license under this chapter is not confidential. The reason for denial or revocation of a video lottery related license or for disciplinary action against the individual is not confidential.</u> | 4996 4997 4998 4999 5000 5001 5002 |
| <u>(C) An individual who holds, held, or has applied for a video lottery related license under this chapter may waive the confidentiality requirements of division (A) of this section.</u> | 5003 5004 5005 |
| <u>(D) Confidential information received by the commission from another jurisdiction relating to a person who holds, held, or has applied for a license under this chapter is confidential and not subject to disclosure as a public record under section 149.43 of the Revised Code. The commission may share the information</u> | 5006 5007 5008 5009 5010 |

referenced in this division with, or disclose the information to, 5011
the inspector general, any appropriate prosecuting authority, any 5012
law enforcement agency, or any other appropriate governmental or 5013
licensing agency, if the agency that receives the information 5014
complies with the same requirements regarding confidentiality as 5015
those with which the commission must comply. 5016

The applicant shall complete a cover sheet for the 5017
application on which the applicant shall disclose the applicant's 5018
name, the business address of the lottery sales agent, management 5019
company, holding company, or gaming-related vendor employing the 5020
applicant, the business address and telephone number of such 5021
employer, and the county, state, and country in which the 5022
applicant's residence is located. 5023

Sec. 3772.01. As used in this chapter: 5024

(A) "Applicant" means any person who applies to the 5025
commission for a license under this chapter. 5026

(B) "Casino control commission fund" means the casino control 5027
commission fund described in Section 6(C)(3)(d) of Article XV, 5028
Ohio Constitution, the money in which shall be used to fund the 5029
commission and its related affairs. 5030

(C) "Casino facility" means a casino facility as defined in 5031
Section 6(C)(9) of Article XV, Ohio Constitution. 5032

(D) "Casino game" means any slot machine or table game as 5033
defined in this chapter. 5034

(E) "Casino gaming" means any type of slot machine or table 5035
game wagering, using money, casino credit, or any representative 5036
of value, authorized in any of the states of Indiana, Michigan, 5037
Pennsylvania, and West Virginia as of January 1, 2009, and 5038
includes slot machine and table game wagering subsequently 5039
authorized by, but shall not be limited by, subsequent 5040

restrictions placed on such wagering in such states. "Casino gaming" does not include bingo, as authorized in Section 6 of Article XV, Ohio Constitution and conducted as of January 1, 2009, or horse racing where the pari-mutuel system of wagering is conducted, as authorized under the laws of this state as of January 1, 2009.

~~(E)~~(F) "Casino gaming employee" means any employee of a casino operator or management company, but not a key employee, and as further defined in section 3772.131 of the Revised Code.

~~(F)~~(G) "Casino operator" means any person, trust, corporation, partnership, limited partnership, association, limited liability company, or other business enterprise that directly or indirectly holds an ownership or leasehold interest in a casino facility. "Casino operator" does not include an agency of the state, any political subdivision of the state, any person, trust, corporation, partnership, limited partnership, association, limited liability company, or other business enterprise that may have an interest in a casino facility, but who is legally or contractually restricted from conducting casino gaming.

~~(G)~~(H) "Central system" means a computer system that provides the following functions related to casino gaming equipment used in connection with casino gaming authorized under this chapter: security, auditing, data and information retrieval, and other purposes deemed necessary and authorized by the commission.

~~(H)~~(I) "Cheat" means to alter the result of a casino game, the element of chance, the operation of a machine used in a casino game, or the method of selection of criteria that determines (a) the result of the casino game, (b) the amount or frequency of payment in a casino game, (c) the value of a wagering instrument, or (d) the value of a wagering credit. "Cheat" does not include an individual who, without the assistance of another individual or without the use of a physical aid or device of any kind, uses the

individual's own ability to keep track of the value of cards 5073
played and uses predictions formed as a result of the tracking 5074
information in the individual's playing and betting strategy. 5075

(J) "Commission" means the Ohio casino control commission. 5076

~~(I)~~(K) "Gaming agent" means a peace officer employed by the 5077
commission that is vested with duties to enforce this chapter and 5078
conduct other investigations into the conduct of the casino gaming 5079
and the maintenance of the equipment that the commission considers 5080
necessary and proper and is in compliance with section 109.77 of 5081
the Revised Code. 5082

~~(J)~~(L) "Gaming-related vendor" means any individual, 5083
partnership, corporation, association, trust, or any other group 5084
of individuals, however organized, who supplies gaming-related 5085
equipment, goods, or services to a casino operator or management 5086
company, that are directly related to or affect casino gaming 5087
authorized under this chapter, including, but not limited to, the 5088
manufacture, sale, distribution, or repair of slot machines and 5089
table game equipment. 5090

~~(K)~~(M) "Holding company" means any corporation, firm, 5091
partnership, limited partnership, limited liability company, 5092
trust, or other form of business organization not a natural person 5093
which directly or indirectly ~~owns, has~~ does any of the following: 5094

(1) Has the power or right to control, ~~or holds with power to~~ 5095
~~vote, any part of an applicant,~~ a casino operator, management 5096
company, or gaming-related vendor license applicant or licensee; 5097

(2) Holds an ownership interest of five per cent or more, as 5098
determined by the commission, in a casino operator, management 5099
company, or gaming-related vendor license applicant or licensee; 5100

(3) Holds voting rights with the power to vote five per cent 5101
or more of the outstanding voting rights of a casino operator, 5102
management company, or gaming-related vendor applicant or 5103

licensee. 5104

~~(I)~~(N) "Initial investment" includes costs related to 5105
demolition, engineering, architecture, design, site preparation, 5106
construction, infrastructure improvements, land acquisition, 5107
fixtures and equipment, insurance related to construction, and 5108
leasehold improvements. 5109

~~(M)~~(O) "Institutional investor" means any of the following 5110
entities owning ~~one~~ five per cent or less, ~~or a percentage between~~ 5111
~~one and ten per cent as approved by the commission through a~~ 5112
~~waiver on a case by case basis~~ more, but less than fifteen per 5113
cent, of an ownership interest in a casino facility, casino 5114
operator, management company, or holding company: a corporation, 5115
bank, insurance company, pension fund or pension fund trust, 5116
retirement fund, including funds administered by a public agency, 5117
employees' profit-sharing fund or employees' profit-sharing trust, 5118
any association engaged, as a substantial part of its business or 5119
operations, in purchasing or holding securities, including a hedge 5120
fund, mutual fund, or private equity fund, or any trust in respect 5121
of which a bank is trustee or cotrustee, investment company 5122
registered under the "Investment Company Act of 1940," 15 U.S.C. 5123
80a-1 et seq., collective investment trust organized by banks 5124
under Part Nine of the Rules of the Comptroller of the Currency, 5125
closed-end investment trust, chartered or licensed life insurance 5126
company or property and casualty insurance company, investment 5127
advisor registered under the "Investment Advisors Act of 1940," 15 5128
U.S.C. 80 b-1 et seq., and such other persons as the commission 5129
may reasonably determine to qualify as an institutional investor 5130
for reasons consistent with this chapter, and that does not 5131
exercise control over the affairs of a licensee and its ownership 5132
interest in a licensee is for investment purposes only, as set 5133
forth in division (E) of section 3772.10 of the Revised Code. 5134

~~(N)~~(P) "Key employee" means any executive, employee, or agent 5135

of a casino operator or management company licensee having the 5136
power to exercise significant influence over decisions concerning 5137
any part of the operation of such licensee, including: 5138

(1) An officer, director, trustee, or partner of a person 5139
that has applied for or holds a casino operator, management 5140
company, or gaming-related vendor license or of a holding company 5141
that has control of a person that has applied for or holds a 5142
casino operator, management company, or gaming-related vendor 5143
license; 5144

(2) A person that holds a direct or indirect ownership 5145
interest of more than one per cent in a person that has applied 5146
for or holds a casino operator, management company, or 5147
gaming-related vendor license or holding company that has control 5148
of a person that has applied for or holds a casino operator, 5149
management company, or gaming-related vendor license; 5150

(3) A managerial employee of a person that has applied for or 5151
holds a casino operator or gaming-related vendor license in Ohio, 5152
or a managerial employee of a holding company that has control of 5153
a person that has applied for or holds a casino operator or 5154
gaming-related vendor license in Ohio, who performs the function 5155
of principal executive officer, principal operating officer, 5156
principal accounting officer, or an equivalent officer or other 5157
person the commission determines to have the power to exercise 5158
significant influence over decisions concerning any part of the 5159
operation of such licensee. 5160

The commission shall determine whether an individual whose 5161
duties or status varies from those described in this division also 5162
is considered a key employee. 5163

~~(b)~~(d) "Licensed casino operator" means a casino operator 5164
that has been issued a license by the commission and that has been 5165
certified annually by the commission to have paid all applicable 5166

fees, taxes, and debts to the state. 5167

~~(P)~~(R) "Majority ownership interest" in a license or in a 5168
casino facility, as the case may be, means ownership of more than 5169
fifty per cent of such license or casino facility, as the case may 5170
be. For purposes of the foregoing, whether a majority ownership 5171
interest is held in a license or in a casino facility, as the case 5172
may be, shall be determined under the rules for constructive 5173
ownership of stock provided in Treas. Reg. 1.409A-3(i)(5)(iii) as 5174
in effect on January 1, 2009. 5175

~~(Q)~~(S) "Management company" means an organization retained by 5176
a casino operator to manage a casino facility and provide services 5177
such as accounting, general administration, maintenance, 5178
recruitment, and other operational services. 5179

~~(R)~~(T) "Ohio law enforcement training fund" means the state 5180
law enforcement training fund described in Section 6(C)(3)(f) of 5181
Article XV, Ohio Constitution, the money in which shall be used to 5182
enhance public safety by providing additional training 5183
opportunities to the law enforcement community. 5184

~~(S)~~(U) "Person" includes, but is not limited to, an 5185
individual or a combination of individuals; a sole proprietorship, 5186
a firm, a company, a joint venture, a partnership of any type, a 5187
joint-stock company, a corporation of any type, a corporate 5188
subsidiary of any type, a limited liability company, a business 5189
trust, or any other business entity or organization; an assignee; 5190
a receiver; a trustee in bankruptcy; an unincorporated 5191
association, club, society, or other unincorporated entity or 5192
organization; entities that are disregarded for federal income tax 5193
purposes; and any other nongovernmental, artificial, legal entity 5194
that is capable of engaging in business. 5195

~~(T)~~(V) "Problem casino gambling and addictions fund" means 5196
the state problem gambling and addictions fund described in 5197

Section 6(C)(3)(g) of Article XV, Ohio Constitution, the money in 5198
which shall be used for treatment of problem gambling and 5199
substance abuse, and for related research. 5200

~~(U)~~(W) "Promotional gaming credit" means a slot machine or 5201
table game credit, discount, or other similar item issued to a 5202
patron to enable the placement of, or increase in, a wager at a 5203
slot machine or table game. 5204

~~(V)~~(X) "Slot machine" means any mechanical, electrical, or 5205
other device or machine which, upon insertion of a coin, token, 5206
ticket, or similar object, or upon payment of any consideration, 5207
is available to play or operate, the play or operation of which, 5208
whether by reason of the skill of the operator or application of 5209
the element of chance, or both, makes individual prize 5210
determinations for individual participants in cash, premiums, 5211
merchandise, tokens, or any thing of value, whether the payoff is 5212
made automatically from the machine or in any other manner, but 5213
does not include any device that is a skill-based amusement 5214
machine, as defined in section 2915.01 of the Revised Code. 5215

~~(W)~~(Y) "Table game" means any game played with cards, dice, 5216
or any mechanical, electromechanical, or electronic device or 5217
machine for money, casino credit, or any representative of value. 5218
"Table game" does not include slot machines. 5219

~~(X)~~(Z) "Upfront license" means the first plenary license 5220
issued to a casino operator. 5221

~~(Y)~~(AA) "Voluntary exclusion program" means a program 5222
provided by the commission that allows persons to voluntarily 5223
exclude themselves from the gaming areas of facilities under the 5224
jurisdiction of the commission by placing their name on a 5225
voluntary exclusion list and following the procedures set forth by 5226
the commission. 5227

Sec. 3772.03. (A) To ensure the integrity of casino gaming, 5228
the commission shall have authority to complete the functions of 5229
licensing, regulating, investigating, and penalizing casino 5230
operators, management companies, holding companies, key employees, 5231
casino gaming employees, and gaming-related vendors. The 5232
commission also shall have jurisdiction over all persons 5233
participating in casino gaming authorized by Section 6(C) of 5234
Article XV, Ohio Constitution, and this chapter. 5235

(B) All rules adopted by the commission under this chapter 5236
shall be adopted under procedures established in Chapter 119. of 5237
the Revised Code. The commission may contract for the services of 5238
experts and consultants to assist the commission in carrying out 5239
its duties under this section. 5240

(C) Within six months of ~~the effective date of this section~~ 5241
September 10, 2010, the commission shall adopt initial rules as 5242
are necessary for completing the functions stated in division (A) 5243
of this section and for addressing the subjects enumerated in 5244
division (D) of this section. 5245

(D) The commission shall adopt, and as advisable and 5246
necessary shall amend or repeal, rules that include all of the 5247
following: 5248

(1) The prevention of practices detrimental to the public 5249
interest; 5250

(2) Prescribing the method of applying, and the form of 5251
application, that an applicant for a license under this chapter 5252
must follow as otherwise described in this chapter; 5253

(3) Prescribing the information to be furnished by an 5254
applicant or licensee as described in section 3772.11 of the 5255
Revised Code; 5256

(4) Describing the certification standards and duties of an 5257

independent testing laboratory certified under section 3772.31 of 5258
the Revised Code and the relationship between the commission, the 5259
laboratory, the gaming-related vendor, and the casino operator; 5260

(5) The minimum amount of insurance that must be maintained 5261
by a casino operator, management company, holding company, or 5262
gaming-related vendor; 5263

(6) The approval process for a significant change in 5264
ownership or transfer of control of a licensee as provided in 5265
section 3772.091 of the Revised Code; 5266

(7) The design of gaming supplies, devices, and equipment to 5267
be distributed by gaming-related vendors; 5268

(8) Identifying the casino gaming that is permitted, 5269
identifying the gaming supplies, devices, and equipment, that are 5270
permitted, defining the area in which the permitted casino gaming 5271
may be conducted, and specifying the method of operation according 5272
to which the permitted casino gaming is to be conducted as 5273
provided in section 3772.20 of the Revised Code, and requiring 5274
gaming devices and equipment to meet the standards of this state; 5275

(9) Tournament play in any casino facility; 5276

(10) Establishing and implementing a voluntary exclusion 5277
program that provides all of the following: 5278

(a) Except as provided by commission rule, a person who 5279
participates in the program shall agree to refrain from entering a 5280
casino facility. 5281

(b) The name of a person participating in the program shall 5282
be included on a list of persons excluded from all casino 5283
facilities. 5284

(c) Except as provided by commission rule, no person who 5285
participates in the program shall petition the commission for 5286
admittance into a casino facility. 5287

(d) The list of persons participating in the program and the 5288
personal information of those persons shall be confidential and 5289
shall only be disseminated by the commission to a casino operator 5290
and the agents and employees of the casino operator for purposes 5291
of enforcement and to other entities, upon request of the 5292
participant and agreement by the commission. 5293

(e) A casino operator shall make all reasonable attempts as 5294
determined by the commission to cease all direct marketing efforts 5295
to a person participating in the program. 5296

(f) A casino operator shall not cash the check of a person 5297
participating in the program or extend credit to the person in any 5298
manner. However, the program shall not exclude a casino operator 5299
from seeking the payment of a debt accrued by a person before 5300
participating in the program. 5301

(g) Any and all locations at which a person may register as a 5302
participant in the program shall be published. 5303

(11) Requiring the commission to adopt standards regarding 5304
the marketing materials of a licensed casino operator, including 5305
allowing the commission to prohibit marketing materials that are 5306
contrary to the adopted standards; 5307

(12) Requiring that the records, including financial 5308
statements, of any casino operator, management company, holding 5309
company, and gaming-related vendor be maintained in the manner 5310
prescribed by the commission and made available for inspection 5311
upon demand by the commission, but shall be subject to section 5312
3772.16 of the Revised Code; 5313

(13) Permitting a licensed casino operator, management 5314
company, key employee, or casino gaming employee to question a 5315
person suspected of violating this chapter; 5316

(14) The chips, tokens, tickets, electronic cards, or similar 5317
objects that may be purchased by means of an agreement under which 5318

credit is extended to a wagerer by a casino operator; 5319

(15) Establishing standards for provisional key employee 5320
licenses for a person who is required to be licensed as a key 5321
employee and is in exigent circumstances and standards for 5322
provisional licenses for casino gaming employees who submit 5323
complete applications and are compliant under an instant 5324
background check. A provisional license shall be valid not longer 5325
than three months. A provisional license may be renewed one time, 5326
at the commission's discretion, for an additional three months. In 5327
establishing standards with regard to instant background checks 5328
the commission shall take notice of criminal records checks as 5329
they are conducted under section 311.41 of the Revised Code using 5330
electronic fingerprint reading devices. 5331

(16) Establishing approval procedures for third-party 5332
engineering or accounting firms, as described in section 3772.09 5333
of the Revised Code; 5334

(17) Prescribing the manner in which winnings, compensation 5335
from casino gaming, and gross revenue must be computed and 5336
reported by a licensee as described in Chapter 5753. of the 5337
Revised Code; 5338

(18) Prescribing conditions under which a licensee's license 5339
may be suspended or revoked as described in section 3772.04 of the 5340
Revised Code; 5341

(19) Prescribing the manner and procedure of all hearings to 5342
be conducted by the commission or by any hearing examiner; 5343

(20) Prescribing technical standards and requirements that 5344
are to be met by security and surveillance equipment that is used 5345
at and standards and requirements to be met by personnel who are 5346
employed at casino facilities, and standards and requirements for 5347
the provision of security at and surveillance of casino 5348
facilities; 5349

(21) Prescribing requirements for a casino operator to provide unarmed security services at a casino facility by licensed casino employees, and the training that shall be completed by these employees;

(22) Prescribing standards according to which casino operators shall keep accounts and standards according to which casino accounts shall be audited, and establish means of assisting the tax commissioner in levying and collecting the gross casino revenue tax levied under section 5753.02 of the Revised Code;

(23) Defining penalties for violation of commission rules and a process for imposing such penalties subject to the review of the joint committee on gaming and wagering;

(24) Establishing standards for decertifying contractors that violate statutes or rules of this state or the federal government;

(25) Establishing standards for the repair of casino gaming equipment;

(26) Establishing procedures to ensure that casino operators, management companies, and holding companies are compliant with the compulsive and problem gambling plan submitted under section 3772.18 of the Revised Code;

(27) Prescribing, for institutional investors in or holding companies of a casino operator, management company, holding company, or gaming-related vendor that fall below the threshold needed to be considered an institutional investor or a holding company, standards regarding what any employees, members, or owners of those investors or holding companies may do and shall not do in relation to casino facilities and casino gaming in this state, which standards shall rationally relate to the need to proscribe conduct that is inconsistent with passive institutional investment status;

(28) Providing for any other thing necessary and proper for

successful and efficient regulation of casino gaming under this 5381
chapter. 5382

(E) The commission shall employ and assign gaming agents as 5383
necessary to assist the commission in carrying out the duties of 5384
this chapter. In order to maintain employment as a gaming agent, 5385
the gaming agent shall successfully complete all continuing 5386
training programs required by the commission and shall not have 5387
been convicted of or pleaded guilty or no contest to a 5388
disqualifying offense as defined in section 3772.07 of the Revised 5389
Code. 5390

(F) The commission, as a law enforcement agency, and its 5391
gaming agents, as law enforcement officers as defined in section 5392
2901.01 of the Revised Code, shall have authority with regard to 5393
the detection and investigation of, the seizure of evidence 5394
allegedly relating to, and the apprehension and arrest of persons 5395
allegedly committing gaming offenses, and shall have access to 5396
casino facilities to carry out the requirements of this chapter. 5397

(G) The commission may eject or exclude or authorize the 5398
ejection or exclusion of and a gaming agent may eject a person 5399
from a casino facility for any of the following reasons: 5400

(1) The person's name is on the list of persons voluntarily 5401
excluding themselves from all casinos in a program established 5402
according to rules adopted by the commission; 5403

(2) The person violates or conspires to violate this chapter 5404
or a rule adopted thereunder; or 5405

(3) The commission determines that the person's conduct or 5406
reputation is such that the person's presence within a casino 5407
facility may call into question the honesty and integrity of the 5408
casino gaming operations or interfere with the orderly conduct of 5409
the casino gaming operations. 5410

(H) A person, other than a person participating in a 5411

voluntary exclusion program, may petition the commission for a 5412
public hearing on the person's ejection or exclusion under this 5413
chapter. 5414

(I) A casino operator or management company shall have the 5415
same authority to eject or exclude a person from the management 5416
company's casino facilities as authorized in division (G) of this 5417
section. The licensee shall immediately notify the commission of 5418
an ejection or exclusion. 5419

(J) The commission shall submit a written annual report with 5420
the governor, president and minority leader of the senate, speaker 5421
and minority leader of the house of representatives, and joint 5422
committee on gaming and wagering before the first day of September 5423
each year. The annual report shall include a statement describing 5424
the receipts and disbursements of the commission, relevant 5425
financial data regarding casino gaming, including gross revenues 5426
and disbursements made under this chapter, actions taken by the 5427
commission, an update on casino operators', management companies', 5428
and holding companies' compulsive and problem gambling plans and 5429
the voluntary exclusion program and list, and any additional 5430
information that the commission considers useful or that the 5431
governor, president or minority leader of the senate, speaker or 5432
minority leader of the house of representatives, or joint 5433
committee on gaming and wagering requests. 5434

(K) Notwithstanding any law to the contrary, beginning on 5435
July 1, 2011, the commission shall assume jurisdiction over and 5436
oversee the regulation of skill-based amusement machines as is 5437
provided in the law of this state. 5438

Sec. 3772.032. (A) The permanent joint committee on gaming 5439
and wagering is established. The committee consists of six 5440
members. The speaker of the house of representatives shall appoint 5441
to the committee three members of the house of representatives and 5442

the president of the senate shall appoint to the committee three 5443
members of the senate. Not more than two members appointed from 5444
each chamber may be members of the same political party. The 5445
chairperson shall be from the opposite house as the chairperson of 5446
the joint committee on agency rule review. If the chairperson is 5447
to be from the house of representatives, the speaker of the house 5448
of representatives shall designate a member as the chairperson and 5449
the president of the senate shall designate a member as the 5450
vice-chairperson. If the chairperson is to be from the senate, the 5451
president of the senate shall designate a member as the 5452
chairperson and the speaker of the house of representatives shall 5453
designate a member as the vice-chairperson. 5454

(B) The committee shall: 5455

(1) Review all constitutional amendments, laws, and rules 5456
governing the operation and administration of casino gaming and 5457
all authorized gaming and wagering activities and recommend to the 5458
general assembly and commission any changes it may find desirable 5459
with respect to the language, structure, and organization of those 5460
amendments, laws, or rules; 5461

(2) Make an annual report to the governor and to the general 5462
assembly with respect to the operation and administration of 5463
casino gaming; 5464

(3) Review all changes of fees and penalties as provided in 5465
this chapter and rules adopted thereunder; ~~and~~ 5466

(4) Review fees related to lottery sales agent licenses, as 5467
provided in section 3770.05 of the Revised Code; and 5468

(5) Study all proposed changes to the constitution and laws 5469
of this state and to the rules adopted by the commission governing 5470
the operation and administration of casino gaming, and report to 5471
the general assembly on their adequacy and desirability as a 5472
matter of public policy. 5473

(C) Any study, or any expense incurred, in furtherance of the committee's objectives shall be paid for from, or out of, the casino control commission fund or other appropriation provided by law. The members shall receive no additional compensation, but shall be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

Sec. 3772.04. (A)(1) ~~If, as the result of an investigation,~~ the commission concludes that a license ~~or finding~~ required by this chapter should be limited, conditioned, ~~or~~ restricted, ~~or~~ suspended, ~~or~~ revoked, denied, or not renewed, the commission ~~shall conduct~~ may, and if so requested by a licensee or applicant, shall, conduct a hearing in an adjudication under Chapter 119. of the Revised Code. After notice and opportunity for a hearing, the commission may limit, condition, restrict, suspend, revoke, deny, or not renew a license under rules adopted by the commission. The commission may reopen a licensing adjudication at any time.

(2) The commission shall appoint a hearing examiner to conduct the hearing in the adjudication. A party to the adjudication may file written objections to the hearing examiner's report and recommendations not later than the thirtieth day after they are served upon the party or the party's attorney or other representative of record. The commission shall not take up the hearing examiner's report and recommendations earlier than the thirtieth day after the hearing examiner's report and recommendations were submitted to the commission.

(3) If the commission finds that a person fails or has failed to meet any requirement under this chapter or a rule adopted thereunder, or violates or has violated this chapter or a rule adopted thereunder, the commission may issue an order:

(a) Limiting, conditioning, ~~or~~ restricting, ~~or~~ suspending ~~or~~, revoking, denying, or not renewing, a license issued under this

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| chapter; | 5505 |
| (b) Limiting, conditioning, or restricting, or suspending or | 5506 |
| revoking, a finding made under this chapter; | 5507 |
| (e) Requiring a casino facility to exclude a licensee from | 5508 |
| the casino facility or requiring a casino facility not to pay to | 5509 |
| the licensee any remuneration for services or any share of | 5510 |
| profits, income, or accruals on the licensee's investment in the | 5511 |
| casino facility; or | 5512 |
| (d) (c) Fining a licensee or other person according to the | 5513 |
| penalties adopted by the commission. | 5514 |
| (4) An order may be judicially reviewed under section 119.12 | 5515 |
| of the Revised Code. | 5516 |
| (B) <u>Without in any manner limiting the authority of the</u> | 5517 |
| <u>commission to impose the level and type of discipline the</u> | 5518 |
| <u>commission considers appropriate, the commission may take into</u> | 5519 |
| <u>consideration the following:</u> | 5520 |
| <u>(1) If the licensee knew or reasonably should have known that</u> | 5521 |
| <u>the action complained of was a violation of any law, rule, or</u> | 5522 |
| <u>condition on the licensee's license;</u> | 5523 |
| <u>(2) If the licensee has previously been disciplined by the</u> | 5524 |
| <u>commission;</u> | 5525 |
| <u>(3) If the licensee has previously been subject to discipline</u> | 5526 |
| <u>by the commission concerning the violation of any law, rule, or</u> | 5527 |
| <u>condition of the licensee's license;</u> | 5528 |
| <u>(4) If the licensee reasonably relied upon professional</u> | 5529 |
| <u>advice from a lawyer, doctor, accountant, or other recognized</u> | 5530 |
| <u>professional that was relevant to the action resulting in the</u> | 5531 |
| <u>violation;</u> | 5532 |
| <u>(5) If the licensee or the licensee's employer had a</u> | 5533 |
| <u>reasonably constituted and functioning compliance program;</u> | 5534 |

(6) If the imposition of a condition requiring the licensee to establish and implement a written self-enforcement and compliance program would assist in ensuring the licensee's future compliance with all statutes, rules, and conditions of the license; 5535
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(7) If the licensee realized a pecuniary gain from the violation; 5540
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(8) If the amount of any fine or other penalty imposed would result in disgorgement of any gains unlawfully realized by the licensee; 5542
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(9) If the violation was caused by an officer or employee of the licensee, the level of authority of the individual who caused the violation; 5545
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(10) If the individual who caused the violation acted within the scope of the individual's authority as granted by the licensee; 5548
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(11) The adequacy of any training programs offered by the licensee or the licensee's employer that were relevant to the activity that resulted in the violation; 5551
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(12) If the licensee's action substantially deviated from industry standards and customs; 5554
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(13) The extent to which the licensee cooperated with the commission during the investigation of the violation; 5556
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(14) If the licensee has initiated remedial measures to prevent similar violations; 5558
5559

(15) The magnitude of penalties imposed on other licensees for similar violations; 5560
5561

(16) The proportionality of the penalty in relation to the misconduct; 5562
5563

(17) The extent to which the amount of any fine imposed would 5564

punish the licensee for the conduct and deter future violations; 5565

(18) Any mitigating factors offered by the licensee; and 5566

(19) Any other factors the commission considers relevant. 5567

(C) For the purpose of conducting any study or investigation, 5568
the commission may direct that public hearings be held at a time 5569
and place, prescribed by the commission, in accordance with 5570
section 121.22 of the Revised Code. The commission shall give 5571
notice of all public hearings in such manner as will give actual 5572
notice to all interested parties. 5573

~~(C)~~ In (D)(1) For the purpose of conducting the hearing in an 5574
adjudication under division (A) of this section, or in the 5575
discharge of any duties imposed by this chapter, the commission 5576
may require that testimony be given under oath and administer such 5577
oath, issue subpoenas compelling the attendance of witnesses and 5578
the production of any papers, books, and accounts, directed to the 5579
sheriffs of the counties where such witnesses or papers, books, 5580
and accounts are found and cause the deposition of any witness. ~~In~~ 5581
The subpoenas shall be served and returned in the same manner as 5582
subpoenas in criminal cases are served and returned. The fees of 5583
sheriffs shall be the same as those allowed by the court of common 5584
pleas in criminal cases. 5585

(2) In the event of the refusal of any person without good 5586
cause to comply with the terms of a subpoena issued by the 5587
commission or refusal to testify on matters about which the person 5588
may lawfully be questioned, the prosecuting attorney of the county 5589
in which such person resides, upon the petition of the commission, 5590
may bring a proceeding for contempt against such person in the 5591
court of common pleas of that county. 5592

(3) Witnesses shall be paid the fees and mileage provided for 5593
in section 119.094 of the Revised Code. 5594

(4) All fees and mileage expenses incurred at the request of 5595

a party shall be paid in advance by the party. 5596

~~(D)~~(E) When conducting a public hearing, the commission shall 5597
not limit the number of speakers who may testify. However, the 5598
commission may set reasonable time limits on the length of an 5599
individual's testimony or the total amount of time allotted to 5600
proponents and opponents of an issue before the commission. 5601

~~(E) An administrative law judge appointed by the commission 5602
may conduct a hearing under this chapter and recommend findings of 5603
fact and decisions to the commission.~~ 5604

(F) The commission may rely, in whole or in part, upon 5605
investigations, conclusions, or findings of other casino gaming 5606
commissions or other government regulatory bodies in connection 5607
with licensing, investigations, or other matters relating to an 5608
applicant or licensee under this chapter. 5609

(G) Notwithstanding anything to the contrary in this chapter, 5610
and except with respect to a casino operator, management company, 5611
or holding company, the executive director may issue an emergency 5612
order for the suspension, limitation, or conditioning of any 5613
license, registration, approval, or certificate issued, approved, 5614
granted, or otherwise authorized by the commission under Chapter 5615
3772. of the Revised Code or the rules adopted thereunder, 5616
requiring the inclusion of persons on the commission's exclusion 5617
list provided for under section 3772.031 of the Revised Code and 5618
the rules adopted thereunder, and requiring a casino facility not 5619
to pay a licensee, registrant, or approved or certified person any 5620
remuneration for services or any share of profits, income, or 5621
accruals on that person's investment in the casino facility. 5622

(1) An emergency order may be issued when the executive 5623
director finds either of the following: 5624

(a) A licensee, registrant, or approved or certified person 5625
has been charged with a violation of any of the criminal laws of 5626

this state, another state, or the federal government; 5627

(b) Such an action is necessary to prevent a violation of 5628
this chapter or a rule adopted thereunder. 5629

(2) An emergency order issued under division (G) of this 5630
section shall state the reasons for the commission's action, cite 5631
the law or rule directly involved, and state that the party will 5632
be afforded a hearing if the party requests it within thirty days 5633
after the time of mailing or personal delivery of the order. 5634

(3)(a) Not later than the next business day after the 5635
issuance of the emergency order, the order shall be sent by 5636
registered or certified mail, return receipt requested, to the 5637
party at the party's last known mailing address appearing in the 5638
commission's records or personally delivered at any time to the 5639
party by an employee or agent of the commission. 5640

(b) A copy of the order shall be mailed to the attorney or 5641
other representative of record representing the party. 5642

(c) If the order sent by registered or certified mail is 5643
returned because the party fails to claim the order, the 5644
commission shall send the order by ordinary mail to the party at 5645
the party's last known address and shall obtain a certificate of 5646
mailing. Service by ordinary mail is complete when the certificate 5647
of mailing is obtained unless the order is returned showing 5648
failure of delivery. 5649

(d) If the order sent by registered, certified, or ordinary 5650
mail is returned for failure of delivery, the commission shall 5651
either make personal delivery of the order by an employee or agent 5652
of the commission or cause a summary of the substantive provisions 5653
of the order to be published once a week for three consecutive 5654
weeks in a newspaper of general circulation in the county where 5655
the last known address of the party is located. 5656

(i) Failure of delivery occurs only when a mailed order is 5657

returned by the postal authorities marked undeliverable, address 5658
or addressee unknown, or forwarding address unknown or expired. 5659

(ii) When service is completed by publication, a proof of 5660
publication affidavit, with the first publication of the summary 5661
set forth in the affidavit, shall be mailed by ordinary mail to 5662
the party at the party's last known address and the order shall be 5663
deemed received as of the date of the last publication. 5664

(e) Refusal of delivery of the order sent by mail or 5665
personally delivered to the party is not failure of delivery and 5666
service is deemed to be complete. 5667

(4) The emergency order shall be effective immediately upon 5668
service of the order on the party. The emergency order shall 5669
remain effective until further order of the executive director or 5670
the commission. 5671

(5) The commission may, and if so requested by the person 5672
affected by the emergency order shall, promptly conduct a hearing 5673
in an adjudication under Chapter 119. of the Revised Code. 5674

Sec. 3772.07. The following appointing or licensing 5675
authorities shall obtain a criminal records check of the person 5676
who is to be appointed or licensed: 5677

(A) The governor, before appointing an individual as a member 5678
of the commission; 5679

(B) The commission, before appointing an individual as 5680
executive director or a gaming agent; 5681

(C) The commission, before issuing a license for a key 5682
employee or casino gaming employee, and before issuing a license 5683
for each investor, except an institutional investor, for a casino 5684
operator, management company, holding company, or gaming-related 5685
vendor; 5686

(D) The executive director, before appointing an individual 5687

as a professional, technical, or clerical employee of the 5688
commission. 5689

Thereafter, such an appointing or licensing authority shall 5690
obtain a criminal records check of the same individual at 5691
three-year intervals. 5692

The appointing or licensing authority shall ~~provide~~ make 5693
available to each person of whom a criminal records check is 5694
required a copy of the form and the standard fingerprint 5695
impression sheet prescribed under divisions (C)(1) and (2) of 5696
section 109.572 of the Revised Code. The person shall complete the 5697
form and impression sheet and return them ~~to~~ as directed by the 5698
appointing or licensing authority. If a person fails to complete 5699
and return the form and impression sheet within a reasonable time, 5700
the person is ineligible to be appointed or licensed or to 5701
continue in the appointment or licensure. 5702

The appointing or licensing authority shall ~~forward~~ cause the 5703
completed form and impression sheet to be forwarded to the 5704
superintendent of the bureau of criminal identification and 5705
investigation. The appointing or licensing authority shall request 5706
the superintendent also to obtain information from the federal 5707
bureau of investigation, including fingerprint-based checks of the 5708
national crime information databases, and from other states and 5709
the federal government under the national crime prevention and 5710
privacy compact as part of the criminal records check. 5711

~~The commission shall pay the fee the bureau of criminal~~ 5712
~~identification and investigation charges for~~ For all criminal 5713
records checks conducted under this section. ~~An, the~~ applicant for 5714
a casino operator, management company, holding company, ~~or~~ 5715
gaming-related vendor, key employee, or casino gaming employee 5716
license shall ~~reimburse the commission for the amount of~~ pay the 5717
fee ~~paid on the applicant's behalf~~ charged by the bureau of 5718
criminal identification and investigation or by a vendor approved 5719

by the bureau to conduct a criminal records check based on the 5720
applicant's fingerprints in accordance with division (A)(15) of 5721
section 109.572 of the Revised Code. ~~An~~ If the applicant for a key 5722
employee or casino gaming employee license ~~shall reimburse the~~ 5723
commission for the amount of the fee paid on the applicant's 5724
behalf, ~~unless the applicant~~ is applying at the request of a 5725
casino operator ~~or~~, management company, ~~in which case~~ holding 5726
company, or gaming-related vendor, the casino operator ~~or~~, 5727
management company, holding company, or gaming-related vendor 5728
shall ~~reimburse the commission~~ pay the fee charged for all 5729
criminal records checks conducted under this section. 5730

The appointing or licensing authority shall review the 5731
results of a criminal records check. An appointee for a commission 5732
member shall forward the results of the criminal records check to 5733
the president of the senate before the senate advises and consents 5734
to the appointment of the commission member. The appointing or 5735
licensing authority shall not appoint or license or retain the 5736
appointment or licensure of a person a criminal records check 5737
discloses has been convicted of or has pleaded guilty or no 5738
contest to a disqualifying offense. A "disqualifying offense" 5739
means any gambling offense, any theft offense, any offense having 5740
an element of fraud or misrepresentation, any offense having an 5741
element of moral turpitude, and any felony not otherwise included 5742
in the foregoing list, except as otherwise provided in section 5743
3772.10 of the Revised Code. 5744

The report of a criminal records check is not a public record 5745
that is open to public inspection and copying. The commission 5746
shall not make the report available to any person other than the 5747
person who was the subject of the criminal records check; an 5748
appointing or licensing authority; a member, the executive 5749
director, or an employee of the commission; or any court or 5750
agency, including a hearing examiner, in a judicial or 5751

administrative proceeding relating to the person's employment with 5752
~~the entity requesting the criminal records check in which the~~ 5753
~~criminal records check is relevant~~ or application for a license 5754
under this chapter. 5755

Sec. 3772.091. (A) No license issued under this chapter is 5756
transferable. ~~New~~ Except as provided in division (B) of this 5757
section, new majority ownership interest or control of a licensee 5758
shall require a new license. The commission may reopen a licensing 5759
investigation at any time. A significant change in or transfer of 5760
control, as determined by the commission, shall require the filing 5761
of an application for a new license and submission of a license 5762
fee with the commission before any such change or transfer of 5763
control is approved. A change in or transfer of control to an 5764
immediate family member is not considered a significant change 5765
under this section. 5766

(B) An initial license shall not be considered transferred, 5767
and a new license shall not be required, when an initial licensee 5768
that is licensed before June 1, 2013, does or has done both of the 5769
following: 5770

(1) Obtains a majority ownership interest in, or a change in 5771
or transfer of control of, another initial licensee for the same 5772
casino facility; and 5773

(2) Was investigated under this chapter as a parent, 5774
affiliate, subsidiary, key employee, or partner, or joint venturer 5775
with another initial licensee that has held for the same casino 5776
facility a majority ownership interest in or control of the 5777
initial license when the initial license was issued and when such 5778
an initial licensee obtains a majority ownership interest in or a 5779
change in or transfer of control. 5780

(C) As used in this section, i 5781

| | |
|--|--------------------------------------|
| (1) " control <u>Control</u> " means either of the following: | 5782 |
| (1) (a) Either: | 5783 |
| (a) (i) Holding fifty per cent or more of the outstanding voting securities of a licensee; or | 5784 5785 |
| (b) (ii) For an unincorporated licensee, having the right to fifty per cent or more of the profits of the licensee, or having the right in the event of dissolution to fifty per cent or more of the assets of the licensee. | 5786 5787 5788 5789 |
| (2) (b) Having the contractual power presently to designate fifty per cent or more of the directors of a for-profit or not-for-profit corporation, or in the case of trusts described in paragraphs (c)(3) to (5) of 16 C.F.R. 801.1, the trustees of such a trust. | 5790 5791 5792 5793 5794 |
| <u>(2) "Initial license" means the first plenary license issued to an initial licensee.</u> | 5795 5796 |
| <u>(3) "Initial licensee" means any of the persons issued an initial license to conduct or participate in conducting casino gaming at each casino facility as either a casino operator, a management company, or a holding company of a casino operator or management company.</u> | 5797 5798 5799 5800 5801 |
| Sec. 3772.10. (A) In determining whether to grant or maintain the privilege of a casino operator, management company, holding company, key employee, casino gaming employee, or gaming-related vendor license, the Ohio casino control commission shall consider all of the following, as applicable: | 5802 5803 5804 5805 5806 |
| (1) The reputation, experience, and financial integrity of the applicant, its holding company, if applicable, and any other person that directly or indirectly controls the applicant; | 5807 5808 5809 |
| (2) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance and to provide | 5810 5811 |

an adequate surety bond; 5812

(3) The past and present compliance of the applicant and its 5813
affiliates or affiliated companies with casino-related licensing 5814
requirements in this state or any other jurisdiction, including 5815
whether the applicant has a history of noncompliance with the 5816
casino licensing requirements of any jurisdiction; 5817

(4) If the applicant has been indicted, convicted, pleaded 5818
guilty or no contest, or forfeited bail concerning any criminal 5819
offense under the laws of any jurisdiction, either felony or 5820
misdemeanor, not including traffic violations; 5821

(5) If the applicant has filed, or had filed against it a 5822
proceeding for bankruptcy or has ever been involved in any formal 5823
process to adjust, defer, suspend, or otherwise work out the 5824
payment of any debt; 5825

(6) If the applicant has been served with a complaint or 5826
other notice filed with any public body regarding a payment of any 5827
tax required under federal, state, or local law that has been 5828
delinquent for one or more years; 5829

(7) If the applicant is or has been a defendant in litigation 5830
involving its business practices; 5831

(8) If awarding a license would undermine the public's 5832
confidence in the casino gaming industry in this state; 5833

(9) If the applicant meets other standards for the issuance 5834
of a license that the commission adopts by rule, which shall not 5835
be arbitrary, capricious, or contradictory to the expressed 5836
provisions of this chapter. 5837

(B) All applicants for a license under this chapter shall 5838
establish their suitability for a license by clear and convincing 5839
evidence. If the commission determines that a person is eligible 5840
under this chapter to be issued a license as a casino operator, 5841

management company, holding company, key employee, casino gaming 5842
employee, or gaming-related vendor, the commission shall issue 5843
such license for not more than three years, as determined by 5844
commission rule, if all other requirements of this chapter have 5845
been satisfied. 5846

(C) The commission shall not issue a casino operator, 5847
management company, holding company, key employee, casino gaming 5848
employee, or gaming-related vendor license under this chapter to 5849
an applicant if: 5850

(1) The applicant has been convicted of a disqualifying 5851
offense, as defined in section 3772.07 of the Revised Code. 5852

(2) The applicant has submitted an application for license 5853
under this chapter that contains false information. 5854

(3) The applicant is a commission member. 5855

(4) The applicant owns an ownership interest that is unlawful 5856
under this chapter, unless waived by the commission. 5857

(5) The applicant violates specific rules adopted by the 5858
commission related to denial of licensure. 5859

(6) The applicant is a member of or employed by a gaming 5860
regulatory body of a governmental unit in this state, another 5861
state, or the federal government, or is employed by a governmental 5862
unit of this state. This division does not prohibit a casino 5863
operator from hiring special duty law enforcement officers if the 5864
officers are not specifically involved in gaming-related 5865
regulatory functions. 5866

(7) The commission otherwise determines the applicant is 5867
ineligible for the license. 5868

(D)(1) The commission shall investigate the qualifications of 5869
each applicant under this chapter before any license is issued and 5870
before any finding with regard to acts or transactions for which 5871

commission approval is required is made. The commission shall 5872
continue to observe the conduct of all licensees and all other 5873
persons having a material involvement directly or indirectly with 5874
a casino operator, management company, or holding company to 5875
ensure that licenses are not issued to or held by, or that there 5876
is not any material involvement with a casino operator, management 5877
company, or holding company by, an unqualified, disqualified, or 5878
unsuitable person or a person whose operations are conducted in an 5879
unsuitable manner or in unsuitable or prohibited places or 5880
locations. 5881

(2) The executive director may recommend to the commission 5882
that it deny any application, or limit, condition, or restrict, or 5883
suspend or revoke, any license or finding, or impose any fine upon 5884
any licensee or other person according to this chapter and the 5885
rules adopted thereunder. 5886

(3) A license issued under this chapter is a revocable 5887
privilege. No licensee has a vested right in or under any license 5888
issued under this chapter. The initial determination of the 5889
commission to deny, or to limit, condition, or restrict, a license 5890
may be appealed under section 2505.03 of the Revised Code. 5891

(E)(1) An institutional investor ~~otherwise required to~~ may be 5892
found to be suitable or qualified by the commission under this 5893
chapter and the rules adopted under this chapter. An institutional 5894
investor shall be presumed suitable or qualified upon submitting 5895
documentation sufficient to establish qualifications as an 5896
institutional investor and upon certifying all of the following: 5897

(a) The institutional investor owns, holds, or controls 5898
~~publicly traded~~ securities issued by a licensee or holding, 5899
intermediate, or parent company of a licensee or in the ordinary 5900
course of business for investment purposes only. 5901

(b) The institutional investor does not exercise influence 5902

over the affairs of the issuer of such securities nor over any 5903
licensed subsidiary of the issuer of such securities. 5904

(c) The institutional investor does not intend to exercise 5905
influence over the affairs of the issuer of such securities, nor 5906
over any licensed subsidiary of the issuer of such securities, in 5907
the future, and that it agrees to notify the commission in writing 5908
within thirty days if such intent changes. 5909

(2) The exercise of voting privileges with regard to ~~publicly~~ 5910
~~traded~~ securities shall not be deemed to constitute the exercise 5911
of influence over the affairs of a licensee. 5912

(3) The commission shall rescind the presumption of 5913
suitability for an institutional investor at any time if the 5914
institutional investor exercises or intends to exercise influence 5915
or control over the affairs of the licensee. 5916

(4) This division shall not be construed to preclude the 5917
commission from requesting information from or investigating the 5918
suitability or qualifications of an institutional investor if ~~the:~~ 5919

(a) The commission becomes aware of facts or information that 5920
may result in the institutional investor being found unsuitable or 5921
disqualified; or 5922

(b) The commission has any other reason to seek information 5923
from the investor to determine whether it qualifies as an 5924
institutional investor. 5925

(5) If the commission finds an institutional investor to be 5926
unsuitable or unqualified, the commission shall so notify the 5927
investor and the casino operator, holding company, management 5928
company, or gaming-related vendor licensee in which the investor 5929
invested. The commission shall allow the investor and the licensee 5930
a reasonable amount of time, as specified by the commission on a 5931
case-by-case basis, to cure the conditions that caused the 5932
commission to find the investor unsuitable or unqualified. If 5933

during the specified period of time the investor or the licensee 5934
does not or cannot cure the conditions that caused the commission 5935
to find the investor unsuitable or unqualified, the commission may 5936
allow the investor or licensee more time to cure the conditions or 5937
the commission may begin proceedings to deny, suspend, or revoke 5938
the license of the casino operator, holding company, management 5939
company, or gaming-related vendor in which the investor invested 5940
or to deny any of the same the renewal of any such license. 5941

(6) A private licensee or holding company shall provide the 5942
same information to the commission as a public company would 5943
provide in a form 13d or form 13g filing to the securities and 5944
exchange commission. 5945

(F) Information provided on the application shall be used as 5946
a basis for a thorough background investigation of each applicant. 5947
A false or incomplete application is cause for denial of a license 5948
by the commission. All applicants and licensees shall consent to 5949
inspections, searches, and seizures and to the disclosure to the 5950
commission and its agents of confidential records, including tax 5951
records, held by any federal, state, or local agency, credit 5952
bureau, or financial institution and to provide handwriting 5953
exemplars, photographs, fingerprints, and information as 5954
authorized in this chapter and in rules adopted by the commission. 5955

Sec. 3772.13. (A) No person may be employed as a key employee 5956
of a casino operator, management company, or holding company 5957
unless the person is the holder of a valid key employee license 5958
issued by the commission. 5959

(B) No person may be employed as a key employee of a 5960
gaming-related vendor unless that person is either the holder of a 5961
valid key employee license issued by the commission, or the 5962
person, at least five business days prior to the first day of 5963
employment as a key employee, has filed a notification of 5964

employment with the commission and subsequently files a completed application for a key employee license within the first thirty days of employment as a key employee. 5965
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(C) Each applicant shall, before the issuance of any key employee license, produce information, documentation, and assurances as are required by this chapter and rules adopted thereunder. In addition, each applicant shall, in writing, authorize the examination of all bank accounts and records as may be deemed necessary by the commission. 5968
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~~(C)~~(D) To be eligible for a key employee license, the applicant shall be at least twenty-one years of age and shall meet the criteria set forth by rule by the commission. 5974
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~~(D)~~(E) Each application for a key employee license shall be on a form prescribed by the commission and shall contain all information required by the commission. The applicant shall set forth in the application if the applicant has been issued prior gambling-related licenses; if the applicant has been licensed in any other state under any other name, and, if so, the name under which the license was issued and the applicant's age at the time the license was issued; any criminal conviction the applicant has had; and if a permit or license issued to the applicant in any other state has been suspended, restricted, or revoked, and, if so, the cause and the duration of each action. The applicant also shall complete a cover sheet for the application on which the applicant shall disclose the applicant's name, the business address of the casino operator, management company, holding company, or gaming-related vendor employing the applicant, the business address and telephone number of such employer, and the county, state, and country in which the applicant's residence is located. 5977
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~~(E)~~(F) Each applicant shall submit with each application, on a form provided by the commission, two sets of fingerprints and a 5995
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photograph. The commission shall charge each applicant an 5997
application fee set by the commission to cover all actual costs 5998
generated by each licensee and all background checks under this 5999
section and section 3772.07 of the Revised Code. 6000

~~(F)~~(G)(1) The casino operator, management company, or holding 6001
company by whom a person is employed as a key employee shall 6002
terminate the person's employment in any capacity requiring a 6003
license under this chapter and shall not in any manner permit the 6004
person to exercise a significant influence over the operation of a 6005
casino facility if: 6006

(a) The person does not apply for and receive a key employee 6007
license within three months of being issued a provisional license, 6008
as established under commission rule. 6009

(b) The person's application for a key employee license is 6010
denied by the commission. 6011

(c) The person's key employee license is revoked by the 6012
commission. 6013

The commission shall notify the casino operator, management 6014
company, or holding company who employs such a person by certified 6015
mail of any such finding, denial, or revocation. 6016

(2) A casino operator, management company, or holding company 6017
shall not pay to a person whose employment is terminated under 6018
division ~~(F)~~(G)(1) of this section, any remuneration for any 6019
services performed in any capacity in which the person is required 6020
to be licensed, except for amounts due for services rendered 6021
before notice was received under that division. A contract or 6022
other agreement for personal services or for the conduct of any 6023
casino gaming at a casino facility between a casino operator, 6024
management company, or holding company and a person whose 6025
employment is terminated under division ~~(F)~~(G)(1) of this section 6026
may be terminated by the casino operator, management company, or 6027

holding company without further liability on the part of the 6028
casino operator, management company, or holding company. Any such 6029
contract or other agreement is deemed to include a term 6030
authorizing its termination without further liability on the part 6031
of the casino operator, management company, or holding company 6032
upon receiving notice under division ~~(F)~~(G)(1) of this section. 6033
That a contract or other agreement does not expressly include such 6034
a term is not a defense in any action brought to terminate the 6035
contract or other agreement, and is not grounds for relief in any 6036
action brought questioning termination of the contract or other 6037
agreement. 6038

(3) A casino operator, management company, or holding 6039
company, without having obtained the prior approval of the 6040
commission, shall not enter into any contract or other agreement 6041
with a person who has been found unsuitable, who has been denied a 6042
license, or whose license has been revoked under division 6043
~~(F)~~(G)(1) of this section, or with any business enterprise under 6044
the control of such a person, after the date on which the casino 6045
operator, management company, or holding company receives notice 6046
under that division. 6047

Sec. 3772.16. (A) Any information concerning the following 6048
submitted, collected, or gathered as part of an application to the 6049
commission for a license under this chapter is confidential and 6050
not subject to disclosure by any state agency or political 6051
subdivision as a record under section 149.43 of the Revised Code: 6052

(1) A minor child of an applicant; 6053

(2) The social security number, passport number, or federal 6054
tax identification number of an applicant or the spouse of an 6055
applicant; 6056

(3) The home address and telephone number of an applicant or 6057
the spouse or ~~children~~ dependent of an applicant; 6058

- (4) An applicant's birth certificate; 6059
- (5) The driver's license number of an applicant or the applicant's spouse; 6060
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- (6) The name or address of a previous spouse of the applicant; 6062
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- (7) The date of birth of the applicant and the spouse of an applicant; 6064
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- (8) The place of birth of the applicant and the spouse of an applicant; 6066
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- (9) The personal financial information and records of an applicant or of an employee or the spouse or ~~minor child dependent~~ of an applicant, including tax returns and information, and records of criminal proceedings; 6068
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- (10) Any information concerning a victim of domestic violence, sexual assault, or stalking; 6072
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- (11) The electronic mail address of the spouse or family member of the applicant; 6074
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- (12) ~~An applicant's home addresses; and~~ 6076
- ~~(13) Any trade secret, medical records, and patents or exclusive licenses;~~ 6077
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- (13) Security information, including risk prevention plans, detection and countermeasures, location of count rooms or other money storage areas, emergency management plans, security and surveillance plans, equipment and usage protocols, and theft and fraud prevention plans and countermeasures; 6079
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- (14) Information provided in a multijurisdictional personal history disclosure form, including the Ohio supplement, exhibits, attachments, and updates. 6084
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- (B) Notwithstanding any other law, upon written request from 6087

a person, the commission shall provide the following information 6088
to the person except as provided in this chapter: 6089

(1) The information provided under this chapter concerning a 6090
licensee or an applicant; 6091

(2) The amount of the wagering tax and admission tax paid 6092
daily to the state by a licensed applicant or an operating agent; 6093
and 6094

(3) A copy of a letter providing the reasons for the denial 6095
of an applicant's license or an operating agent's contract and a 6096
copy of a letter providing the reasons for the commission's 6097
refusal to allow an applicant to withdraw the applicant's 6098
application, but with confidential information redacted if that 6099
information is the reason for the denial or refusal to withdraw. 6100

~~(C) In addition to information that is confidential under 6101
division (A) of this section, medical records, trade secrets, 6102
patents or exclusive licenses, and marketing materials maintained 6103
by the commission concerning a person who holds, held, or has 6104
applied for a license under this chapter is confidential and not 6105
subject to section 149.43 of the Revised Code. 6106~~

~~(D)~~ The individual's name, the individual's place of 6107
employment, the individual's job title, and the individual's 6108
gaming experience that is provided for an individual who holds, 6109
held, or has applied for a license under this chapter is not 6110
confidential. The reason for denial or revocation of a license or 6111
for disciplinary action against the individual and information 6112
submitted by the individual for a felony waiver request is not 6113
confidential. The cover sheet completed by an applicant for a key 6114
employee license under section 3772.13 of the Revised Code is not 6115
confidential. 6116

~~(E)~~(D) An individual who holds, held, or has applied for a 6117
license under this chapter may waive the confidentiality 6118

requirements of division (A) of this section. 6119

(E) Confidential information received by the commission from 6120
another jurisdiction relating to a person who holds, held, or has 6121
applied for a license under this chapter is confidential and not 6122
subject to disclosure as a public record under section 149.43 of 6123
the Revised Code. The commission may share the information 6124
referenced in this division with, or disclose the information to, 6125
the inspector general, any appropriate prosecuting authority, any 6126
law enforcement agency, or any other appropriate governmental or 6127
licensing agency, if the agency that receives the information 6128
complies with the same requirements regarding confidentiality as 6129
those with which the commission must comply. 6130

Sec. 3772.17. (A) The upfront license fee to obtain a license 6131
as a casino operator shall be fifty million dollars per casino 6132
facility, ~~which~~ and shall be paid upon each casino operator's 6133
filing of its casino operator license application with the 6134
commission. The upfront license fee, once paid to the commission, 6135
shall be deposited into the economic development programs fund, 6136
which is created in the state treasury. ~~New~~ 6137

(B) New casino operator, management company, and holding 6138
company license and renewal license fees shall be set by rule, 6139
subject to the review of the joint committee on gaming and 6140
wagering. If an applicant for a license as a management company or 6141
holding company is related through a joint venture or controlled 6142
by or under common control with another applicant for a license as 6143
a casino operator, management company, or holding company for the 6144
same casino facility and the applicant for a license as a 6145
management company or holding company was reviewed for suitability 6146
as part of the investigation of the casino operator, only one 6147
license fee shall be assessed against both applicants for that 6148
casino facility. 6149

~~(B)~~(C) The fee to obtain an application for a casino operator, management company, or holding company license shall be one million five hundred thousand dollars per application. The application fee for a casino operator, management company, or holding company license may be increased to the extent that the actual review and investigation costs relating to an applicant exceed the application fee set forth in this division. If an applicant for a license as a management company or holding company is related through a joint venture or controlled by or under common control with another applicant for a license as a casino operator, management company, or holding company for the same casino facility, with the exception of actual costs of the review and investigation of the additional applicant, only one application fee shall be required of such applicants for that casino facility. The application fee shall be deposited into the casino control commission fund. The application fee is nonrefundable.

~~(C)~~(D) The license fees for a gaming-related vendor shall be set by rule, subject to the review of the joint committee on gaming and wagering. Additionally, the commission may assess an applicant a reasonable fee in the amount necessary to process a gaming-related vendor license application.

~~(D)~~(E) The license fees for a key employee shall be set by rule, subject to the review of the joint committee on gaming and wagering. Additionally, the commission may assess an applicant a reasonable fee in the amount necessary to process a key employee license application. If the license is being sought at the request of a casino operator, such fees shall be paid by the casino operator.

~~(E)~~(F) The license fees for a casino gaming employee shall be set by rule, subject to the review of the joint committee on gaming and wagering. If the license is being sought at the request

of a casino operator, the fee shall be paid by the casino 6182
operator. 6183

Sec. 3772.28. (A) A licensed casino operator shall not enter 6184
into a debt transaction without the approval of the commission. 6185
The licensed casino operator shall submit, in writing, a request 6186
for approval of a debt transaction that contains at least the 6187
following information: 6188

(1) The names and addresses of all parties to the debt 6189
transaction; 6190

(2) The amount of the funds involved; 6191

(3) The type of debt transaction; 6192

(4) The source of the funds to be obtained; 6193

(5) All sources of collateral; 6194

(6) The purpose of the debt transaction; 6195

(7) The terms of the debt transaction; 6196

(8) Any other information deemed necessary by the commission. 6197

(B) As used in this section, "debt transaction" means a 6198
transaction by a licensed casino operator concerning a casino 6199
facility totaling five hundred thousand dollars or more in which a 6200
licensed casino operator acquires debt, including bank financing, 6201
private debt offerings, and any other transaction that results in 6202
the encumbrance of assets. 6203

(C) Notwithstanding divisions (A) and (B) of this section, a 6204
licensed casino operator may enter into one or more debt 6205
transactions with affiliated companies provided the aggregate 6206
amount of all such debt transactions at any one time does not 6207
exceed ten million dollars. When a licensed casino operator 6208
intends to enter into such a debt transaction with an affiliated 6209
company, the licensed casino operator shall provide immediate 6210

notification, in writing, to the commission. The commission is 6211
entitled to require prior approval of the debt transaction if the 6212
commission provides notice to the licensed casino operator within 6213
seven days after receiving the notification. In determining 6214
whether to approve such a debt transaction, the commission may 6215
require the licensed casino operator to submit the information 6216
specified in division (A) of this section. The commission may 6217
adopt rules governing its review and approval of such debt 6218
transactions. For the purposes of this division, "affiliated 6219
companies" means any holding company or institutional investor or 6220
any individual, partnership, corporation, association, trust, or 6221
any other group of individuals, however organized, which directly 6222
or indirectly owns, has the power or right to control, or holds 6223
with the power to vote, an ownership interest in a licensed casino 6224
operator. 6225

Sec. 3772.99. (A) The commission shall levy and collect 6226
penalties for noncriminal violations of this chapter. Noncriminal 6227
violations include using the term "casino" in any advertisement in 6228
regard to a facility operating video lottery terminals, as defined 6229
in section 3770.21 of the Revised Code, in this state. But 6230
penalties for the use of the term "casino" shall not be levied 6231
against and collected from a person operating such a facility that 6232
used the term "casino" in any advertisement before November 3, 6233
2009. Moneys collected from such penalty levies shall be credited 6234
to the general revenue fund. 6235

(B) If a licensed casino operator, management company, 6236
holding company, gaming-related vendor, or key employee violates 6237
this chapter or engages in a fraudulent act, the commission may 6238
suspend or revoke the license and may do either or both of the 6239
following: 6240

(1) Suspend, revoke, or restrict the casino gaming operations 6241

of a casino operator; 6242

(2) Require the removal of a management company, key 6243
employee, or discontinuance of services from a gaming-related 6244
vendor. 6245

(C) The commission shall impose civil penalties against a 6246
person who violates this chapter under the penalties adopted by 6247
commission rule and reviewed by the joint committee on gaming and 6248
wagering. 6249

(D) A person who knowingly or intentionally does any of the 6250
following commits a misdemeanor of the first degree on the first 6251
offense and a felony of the fifth degree for a subsequent offense: 6252

(1) Makes a false statement on an application submitted under 6253
this chapter; 6254

(2) Permits a person less than twenty-one years of age to 6255
make a wager at a casino facility; 6256

(3) Aids, induces, or causes a person less than twenty-one 6257
years of age who is not an employee of the casino gaming operation 6258
to enter or attempt to enter a casino facility; 6259

(4) Enters or attempts to enter a casino facility while under 6260
twenty-one years of age, unless the person enters a designated 6261
area as described in section 3772.24 of the Revised Code; 6262

(5) ~~Wagers or accepts a wager at a location other than a~~ 6263
~~casino facility;~~ 6264

~~(6)~~ Is a casino operator or employee and participates in 6265
casino gaming other than as part of operation or employment. 6266

(E) A person who knowingly or intentionally does any of the 6267
following commits a felony of the fifth degree on a first offense 6268
and a felony of the fourth degree for a subsequent offense. If the 6269
person is a licensee under this chapter, the commission shall 6270
revoke the person's license after the first offense. 6271

~~(1) Offers, promises, or gives anything of value or benefit to a person who is connected with the casino operator, management company, holding company, or gaming related vendor, including their officers and employees, under an agreement to influence or with the intent to influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a casino game or an official action of a commission member;~~ 6272
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~~(2) Solicits, accepts, or receives a promise of anything of value or benefit while the person is connected with a casino, including an officer or employee of a casino operator, management company, or gaming related vendor, under an agreement to influence or with the intent to influence the actions of the person to affect or attempt to affect the outcome of a casino game or an official action of a commission member;~~ 6280
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~~(3) Uses or possesses with the intent to use a device to assist in projecting the outcome of the casino game, keeping track of the cards played, analyzing the probability of the occurrence of an event relating to the casino game, or analyzing the strategy for playing or betting to be used in the casino game, except as permitted by the commission;~~ 6287
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~~(4)(2) Cheats at a casino game;~~ 6293

~~(5)(3) Manufactures, sells, or distributes any cards, chips, dice, game, or device that is intended to be used to violate this chapter;~~ 6294
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~~(6)(4) Alters or misrepresents the outcome of a casino game on which wagers have been made after the outcome is made sure but before the outcome is revealed to the players;~~ 6297
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~~(7)(5) Places, increases, or decreases a wager on the outcome of a casino game after acquiring knowledge that is not available to all players and concerns the outcome of the casino game that is~~ 6300
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the subject of the wager; 6303

~~(8)~~(6) Aids a person in acquiring the knowledge described in 6304
division (E)~~(7)~~(5) of this section for the purpose of placing, 6305
increasing, or decreasing a wager contingent on the outcome of a 6306
casino game; 6307

~~(9)~~(7) Claims, collects, takes, or attempts to claim, 6308
collect, or take money or anything of value in or from a casino 6309
game with the intent to defraud or without having made a wager 6310
contingent on winning a casino game; 6311

~~(10)~~(8) Claims, collects, or takes an amount of money or 6312
thing of value of greater value than the amount won in a casino 6313
game; 6314

~~(11)~~(9) Uses or possesses counterfeit chips ~~or~~, tokens, or 6315
cashless wagering instruments in or for use in a casino game; 6316

~~(12)~~(10) Possesses a key or device designed for opening, 6317
entering, or affecting the operation of a casino game, drop box, 6318
or an electronic or a mechanical device connected with the casino 6319
game or removing coins, tokens, chips, or other contents of a 6320
casino game. This division does not apply to a casino operator, 6321
management company, or gaming-related vendor or their agents and 6322
employees in the course of agency or employment. 6323

~~(13)~~(11) Possesses materials used to manufacture a ~~slug or~~ 6324
device intended to be used in a manner that violates this chapter; 6325

~~(14)~~(12) Operates a casino gaming operation in which wagering 6326
is conducted or is to be conducted in a manner other than the 6327
manner required under this chapter. 6328

(F) The possession of more than one of the devices described 6329
in division (E)~~(11)~~(9), ~~(12)~~(10), or ~~(13)~~(11) of this section 6330
creates a rebuttable presumption that the possessor intended to 6331
use the devices for cheating. 6332

(G) A person who knowingly or intentionally does any of the following commits a felony of the third degree. If the person is a licensee under this chapter, the commission shall revoke the person's license after the first offense. A public servant or party official who is convicted under this division is forever disqualified from holding any public office, employment, or position of trust in this state. 6333
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(1) Offers, promises, or gives anything of value or benefit to a person who is connected with the casino operator, management company, holding company, or gaming-related vendor, including their officers and employees, under an agreement to influence or with the intent to influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a casino game or an official action of a commission member, agent, or employee; 6340
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(2) Solicits, accepts, or receives a promise of anything of value or benefit while the person is connected with a casino, including an officer or employee of a casino operator, management company, or gaming-related vendor, under an agreement to influence or with the intent to influence the actions of the person to affect or attempt to affect the outcome of a casino game or an official action of a commission member, agent, or employee; 6348
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(H) A person who is convicted of a felony described in this chapter may be barred for life from entering a casino facility by the commission. 6355
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Sec. 4301.03. The liquor control commission may adopt and promulgate, repeal, rescind, and amend, in the manner required by this section, rules, standards, requirements, and orders necessary to carry out this chapter and Chapter 4303. of the Revised Code, but all rules of the board of liquor control that were in effect immediately prior to April 17, 1963, shall remain in full force 6358
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and effect as rules of the liquor control commission until and 6364
unless amended or repealed by the liquor control commission. The 6365
rules of the commission may include the following: 6366

(A) Rules with reference to applications for and the issuance 6367
of permits for the manufacture, distribution, transportation, and 6368
sale of beer and intoxicating liquor, and the sale of alcohol; and 6369
rules governing the procedure of the division of liquor control in 6370
the suspension, revocation, and cancellation of those permits; 6371

(B) Rules and orders providing in detail for the conduct of 6372
any retail business authorized under permits issued pursuant to 6373
this chapter and Chapter 4303. of the Revised Code, with a view to 6374
ensuring compliance with those chapters and laws relative to them, 6375
and the maintenance of public decency, sobriety, and good order in 6376
any place licensed under the permits. No rule or order shall 6377
prohibit the operation of video lottery terminal games at a 6378
commercial race track where live horse racing and simulcasting are 6379
conducted in accordance with Chapter 3769. of the Revised Code or 6380
the sale of lottery tickets issued pursuant to Chapter 3770. of 6381
the Revised Code by any retail business authorized under permits 6382
issued pursuant to that chapter. 6383

No rule or order shall prohibit pari-mutuel wagering on 6384
simulcast horse races at a satellite facility that has been issued 6385
a D liquor permit under Chapter 4303. of the Revised Code. No rule 6386
or order shall prohibit a charitable organization that holds a D-4 6387
permit from selling or serving beer or intoxicating liquor under 6388
its permit in a portion of its premises merely because that 6389
portion of its premises is used at other times for the conduct of 6390
a bingo game, as described in division ~~(S)~~(O) of section 2915.01 6391
of the Revised Code. However, such an organization shall not sell 6392
or serve beer or intoxicating liquor or permit beer or 6393
intoxicating liquor to be consumed or seen in the same location in 6394

its premises where a bingo game, as described in division 6395
(S)(O)(1) of section 2915.01 of the Revised Code, is being 6396
conducted while the game is being conducted. As used in this 6397
division, "charitable organization" has the same meaning as in 6398
division (H) of section 2915.01 of the Revised Code. No rule or 6399
order pertaining to visibility into the premises of a permit 6400
holder after the legal hours of sale shall be adopted or 6401
maintained by the commission. 6402

(C) Standards, not in conflict with those prescribed by any 6403
law of this state or the United States, to secure the use of 6404
proper ingredients and methods in the manufacture of beer, mixed 6405
beverages, and wine to be sold within this state; 6406

(D) Rules determining the nature, form, and capacity of all 6407
packages and bottles to be used for containing beer or 6408
intoxicating liquor, except for spirituous liquor to be kept or 6409
sold, governing the form of all seals and labels to be used on 6410
those packages and bottles, and requiring the label on every 6411
package, bottle, and container to state the ingredients in the 6412
contents and, except on beer, the terms of weight, volume, or 6413
proof spirits, and whether the same is beer, wine, alcohol, or any 6414
intoxicating liquor except for spirituous liquor; 6415

(E) Uniform rules governing all advertising with reference to 6416
the sale of beer and intoxicating liquor throughout the state and 6417
advertising upon and in the premises licensed for the sale of beer 6418
or intoxicating liquor; 6419

(F) Rules restricting and placing conditions upon the 6420
transfer of permits; 6421

(G) Rules and orders limiting the number of permits of any 6422
class within the state or within any political subdivision of the 6423
state; and, for that purpose, adopting reasonable classifications 6424
of persons or establishments to which any authorized class of 6425

permits may be issued within any political subdivision; 6426

(H) Rules and orders with reference to sales of beer and 6427
intoxicating liquor on Sundays and holidays and with reference to 6428
the hours of the day during which and the persons to whom 6429
intoxicating liquor of any class may be sold, and rules with 6430
reference to the manner of sale; 6431

(I) Rules requiring permit holders buying beer to pay and 6432
permit holders selling beer to collect minimum cash deposits for 6433
kegs, cases, bottles, or other returnable containers of the beer; 6434
requiring the repayment, or credit, of the minimum cash deposit 6435
charges upon the return of the empty containers; and requiring the 6436
posting of such form of indemnity or such other conditions with 6437
respect to the charging, collection, and repayment of minimum cash 6438
deposit charges for returnable containers of beer as are necessary 6439
to ensure the return of the empty containers or the repayment upon 6440
that return of the minimum cash deposits paid; 6441

(J) Rules establishing the method by which alcohol products 6442
may be imported for sale by wholesale distributors and the method 6443
by which manufacturers and suppliers may sell alcohol products to 6444
wholesale distributors. 6445

Every rule, standard, requirement, or order of the commission 6446
and every repeal, amendment, or rescission of them shall be posted 6447
for public inspection in the principal office of the commission 6448
and the principal office of the division of liquor control, and a 6449
certified copy of them shall be filed in the office of the 6450
secretary of state. An order applying only to persons named in it 6451
shall be served on the persons affected by personal delivery of a 6452
certified copy, or by mailing a certified copy to each person 6453
affected by it or, in the case of a corporation, to any officer or 6454
agent of the corporation upon whom a service of summons may be 6455
served in a civil action. The posting and filing required by this 6456
section constitutes sufficient notice to all persons affected by 6457

such rule or order which is not required to be served. General 6458
rules of the commission promulgated pursuant to this section shall 6459
be published in the manner the commission determines. 6460

Sec. 4303.17. (A)(1) Permit D-4 may be issued to a club that 6461
has been in existence for three years or more prior to the 6462
issuance of the permit to sell beer and any intoxicating liquor to 6463
its members only, in glass or container, for consumption on the 6464
premises where sold. The fee for this permit is four hundred 6465
sixty-nine dollars. 6466

No D-4 permit shall be granted or retained until all elected 6467
officers of the organization controlling the club have filed with 6468
the division of liquor control a statement, signed under oath, 6469
certifying that the club is operated in the interest of the 6470
membership of a reputable organization, which is maintained by a 6471
dues paying membership, and setting forth the amount of initiation 6472
fee and yearly dues. 6473

The roster of membership of a D-4 permit holder shall be 6474
submitted under oath on the request of the superintendent of 6475
liquor control. Any information acquired by the superintendent or 6476
the division with respect to that membership shall not be open to 6477
public inspection or examination and may be divulged by the 6478
superintendent and the division only in hearings before the liquor 6479
control commission or in a court action in which the division or 6480
the superintendent is named a party. 6481

(2) The requirement that a club shall have been in existence 6482
for three years in order to qualify for a D-4 permit does not 6483
apply to units of organizations chartered by congress or to a 6484
subsidiary unit of a national fraternal organization if the parent 6485
organization has been in existence for three years or more at the 6486
time application for a permit is made by that unit. 6487

(B) No rule or order of the division or commission shall 6488

prohibit a charitable organization that holds a D-4 permit from 6489
selling or serving beer or intoxicating liquor under its permit in 6490
a portion of its premises merely because that portion of its 6491
premises is used at other times for the conduct of a bingo game as 6492
described in division ~~(S)~~(O)(1) of section 2915.01 of the Revised 6493
Code. However, such an organization shall not sell or serve beer 6494
or intoxicating liquor or permit beer or intoxicating liquor to be 6495
consumed or seen in the same location in its premises where a 6496
bingo game as described in division ~~(S)~~(O)(1) of section 2915.01 6497
of the Revised Code is being conducted while the game is being 6498
conducted. As used in this division, "charitable organization" has 6499
the same meaning as in division (H) of section 2915.01 of the 6500
Revised Code. 6501

(C) Notwithstanding any contrary provision of sections 6502
4301.32 to 4301.41, division (C)(1) of section 4303.29, and 6503
section 4305.14 of the Revised Code, the holder of a D-4 permit 6504
may transfer the location of the permit and sell beer and wine at 6505
the new location if that location is in an election precinct in 6506
which the sale of beer and wine, but not spirituous liquor, 6507
otherwise is permitted by law. 6508

Sec. 5703.21. (A) Except as provided in divisions (B) and (C) 6509
of this section, no agent of the department of taxation, except in 6510
the agent's report to the department or when called on to testify 6511
in any court or proceeding, shall divulge any information acquired 6512
by the agent as to the transactions, property, or business of any 6513
person while acting or claiming to act under orders of the 6514
department. Whoever violates this provision shall thereafter be 6515
disqualified from acting as an officer or employee or in any other 6516
capacity under appointment or employment of the department. 6517

(B)(1) For purposes of an audit pursuant to section 117.15 of 6518
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the Revised Code, or an audit of the department pursuant to 6520
Chapter 117. of the Revised Code, or an audit, pursuant to that 6521
chapter, the objective of which is to express an opinion on a 6522
financial report or statement prepared or issued pursuant to 6523
division (A)(7) or (9) of section 126.21 of the Revised Code, the 6524
officers and employees of the auditor of state charged with 6525
conducting the audit shall have access to and the right to examine 6526
any state tax returns and state tax return information in the 6527
possession of the department to the extent that the access and 6528
examination are necessary for purposes of the audit. Any 6529
information acquired as the result of that access and examination 6530
shall not be divulged for any purpose other than as required for 6531
the audit or unless the officers and employees are required to 6532
testify in a court or proceeding under compulsion of legal 6533
process. Whoever violates this provision shall thereafter be 6534
disqualified from acting as an officer or employee or in any other 6535
capacity under appointment or employment of the auditor of state. 6536

(2) For purposes of an internal audit pursuant to section 6537
126.45 of the Revised Code, the officers and employees of the 6538
office of internal auditing in the office of budget and management 6539
charged with conducting the internal audit shall have access to 6540
and the right to examine any state tax returns and state tax 6541
return information in the possession of the department to the 6542
extent that the access and examination are necessary for purposes 6543
of the internal audit. Any information acquired as the result of 6544
that access and examination shall not be divulged for any purpose 6545
other than as required for the internal audit or unless the 6546
officers and employees are required to testify in a court or 6547
proceeding under compulsion of legal process. Whoever violates 6548
this provision shall thereafter be disqualified from acting as an 6549
officer or employee or in any other capacity under appointment or 6550
employment of the office of internal auditing. 6551

(3) As provided by section 6103(d)(2) of the Internal Revenue Code, any federal tax returns or federal tax information that the department has acquired from the internal revenue service, through federal and state statutory authority, may be disclosed to the auditor of state or the office of internal auditing solely for purposes of an audit of the department.

(4) For purposes of Chapter 3739. of the Revised Code, an agent of the department of taxation may share information with the division of state fire marshal that the agent finds during the course of an investigation.

(C) Division (A) of this section does not prohibit any of the following:

(1) Divulging information contained in applications, complaints, and related documents filed with the department under section 5715.27 of the Revised Code or in applications filed with the department under section 5715.39 of the Revised Code;

(2) Providing information to the office of child support within the department of job and family services pursuant to section 3125.43 of the Revised Code;

(3) Disclosing to the board of motor vehicle collision repair registration any information in the possession of the department that is necessary for the board to verify the existence of an applicant's valid vendor's license and current state tax identification number under section 4775.07 of the Revised Code;

(4) Providing information to the administrator of workers' compensation pursuant to sections 4123.271 and 4123.591 of the Revised Code;

(5) Providing to the attorney general information the department obtains under division (J) of section 1346.01 of the Revised Code;

(6) Permitting properly authorized officers, employees, or agents of a municipal corporation from inspecting reports or information pursuant to rules adopted under section 5745.16 of the Revised Code;

(7) Providing information regarding the name, account number, or business address of a holder of a vendor's license issued pursuant to section 5739.17 of the Revised Code, a holder of a direct payment permit issued pursuant to section 5739.031 of the Revised Code, or a seller having a use tax account maintained pursuant to section 5741.17 of the Revised Code, or information regarding the active or inactive status of a vendor's license, direct payment permit, or seller's use tax account;

(8) Releasing invoices or invoice information furnished under section 4301.433 of the Revised Code pursuant to that section;

(9) Providing to a county auditor notices or documents concerning or affecting the taxable value of property in the county auditor's county. Unless authorized by law to disclose documents so provided, the county auditor shall not disclose such documents;

(10) Providing to a county auditor sales or use tax return or audit information under section 333.06 of the Revised Code;

(11) Subject to section 4301.441 of the Revised Code, disclosing to the appropriate state agency information in the possession of the department of taxation that is necessary to verify a permit holder's gallonage or noncompliance with taxes levied under Chapter 4301. or 4305. of the Revised Code;

(12) Disclosing to the department of natural resources information in the possession of the department that is necessary to verify the taxpayer's compliance with division (A)(1), (8), or (9) of section 5749.02 of the Revised Code and information received pursuant to section 1509.50 of the Revised Code

concerning the amount due under that section; 6613

(13) Disclosing to the department of job and family services, 6614
industrial commission, and bureau of workers' compensation 6615
information in the possession of the department of taxation solely 6616
for the purpose of identifying employers that misclassify 6617
employees as independent contractors or that fail to properly 6618
report and pay employer tax liabilities. The department of 6619
taxation shall disclose only such information that is necessary to 6620
verify employer compliance with law administered by those 6621
agencies. 6622

(14) Disclosing to the Ohio casino control commission 6623
information in the possession of the department of taxation that 6624
is necessary to verify a ~~taxpayer's~~ casino operator's compliance 6625
with section 5747.063 or 5753.02 of the Revised Code and sections 6626
related thereto; 6627

(15) Disclosing to the state lottery commission information 6628
in the possession of the department of taxation that is necessary 6629
to verify a lottery sales agent's compliance with section 5747.064 6630
of the Revised Code. 6631

Sec. 5747.062. As used in this section, "transferee" has the 6632
same meaning as in section 3770.10 of the Revised Code, and 6633
"recipient" includes a transferee. 6634

(A)(1) The state lottery commission shall deduct and withhold 6635
from each lottery prize award payment that exceeds five thousand 6636
dollars an amount equal to ~~six~~ four per cent of the payment, prior 6637
to making any other reduction required by Chapter 3770. of the 6638
Revised Code. 6639

(2) On or before the tenth ~~banking~~ day of each month, the 6640
state lottery commission, and each transferee required to deduct 6641
and withhold amounts pursuant to section 3770.072 of the Revised 6642

Code, shall file a return and remit to the tax commissioner all 6643
amounts deducted and withheld pursuant to this section during the 6644
preceding month. 6645

(3) On or before the thirty-first day of January of each 6646
year, the state lottery commission, and each transferee required 6647
to deduct and withhold amounts pursuant to section 3770.072 of the 6648
Revised Code, shall file with the commissioner an annual return, 6649
in the form prescribed by the tax commissioner, indicating the 6650
total amount deducted and withheld pursuant to this section or 6651
section 3770.072 of the Revised Code during the preceding calendar 6652
year. At the time of filing that return, the state lottery 6653
commission or transferee shall remit any amount deducted and 6654
withheld during the preceding calendar year that was not 6655
previously remitted. 6656

(4) The state lottery commission, and each transferee 6657
required to deduct and withhold amounts pursuant to section 6658
3770.072 of the Revised Code, shall issue to each person with 6659
respect to whom tax has been deducted and withheld by the 6660
commission or transferee pursuant to this section or section 6661
3770.072 of the Revised Code during the preceding calendar year, 6662
an information return in the form prescribed by the commissioner. 6663

(B)(1) Division (B)(1) of this section does not apply to 6664
persons classified for federal income tax purposes as associations 6665
taxable as corporations. 6666

Amounts withheld pursuant to this section or section 3770.072 6667
of the Revised Code shall be ~~treated~~ allowed as a credit against 6668
payment of the tax imposed pursuant to section 5747.02 of the 6669
Revised Code upon the lottery prize award recipient, upon a 6670
beneficiary of such a recipient, or upon any investor in such a 6671
recipient if the recipient is a pass-through entity or disregarded 6672
entity, and shall be treated as taxes paid by the recipient, 6673
beneficiary, or investor ~~on the date on which those amounts are~~ 6674

~~deducted and withheld for purposes of section 5747.09 of the Revised Code. The credit is a refundable credit and shall be claimed in the order required under section 5747.98 of the Revised Code.~~ The credit is available to the recipient, beneficiary, or investor even if the commission or transferee does not remit to the tax commissioner the amount withheld.

(2) Division (B)(2) of this section applies only to persons classified for federal income tax purposes as associations taxable as corporations.

Amounts withheld pursuant to this section or section 3770.072 of the Revised Code shall be treated as a credit against the tax imposed pursuant to section 5733.06 of the Revised Code for the tax year immediately following the date on which those amounts are deducted and withheld, upon the lottery prize award recipient, upon a beneficiary of such a recipient, or upon an investor in such a recipient if the recipient is a pass-through entity or disregarded entity, and shall be treated as paid by the recipient, beneficiary, or investor on the date on which those amounts are deducted and withheld. The credit is a refundable credit and shall be claimed in the order required under section 5733.98 of the Revised Code. The credit is available to the recipient, beneficiary, or investor even if the commission or transferee does not remit to the tax commissioner the amount withheld.

(3) Nothing in division (B)(1) or (2) of this section shall be construed to allow more than one person to claim the credit for any portion of each amount deducted and withheld.

(C) Failure of the commission or any transferee to deduct and withhold the required amounts from lottery prize awards or to remit amounts withheld as required by this section and section 3770.072 of the Revised Code shall not relieve a taxpayer described in division (B) of this section from liability for the tax imposed by section 5733.06 or 5747.02 of the Revised Code.

Sec. 5747.063. (A)(1) If a person's winnings at a casino 6707
facility are an amount for which reporting to the internal revenue 6708
service of the amount is required by ~~26 U.S.C. section~~ 6041 ~~or a~~ 6709
~~subsequent, analogous section~~ of the Internal Revenue Code, as 6710
amended the casino operator shall deduct and withhold Ohio income 6711
tax from the person's winnings at a rate of ~~six~~ four per cent of 6712
the amount won and shall deduct and withhold municipal income tax 6713
from the person's winnings at the rate of tax of the municipal 6714
corporation in which the casino facility is located. A person's 6715
amount of winnings shall be determined each time the person 6716
exchanges amounts won in tokens, chips, casino credit, or other 6717
~~pre-paid~~ prepaid representations of value for cash or a cash 6718
equivalent. The casino operator shall issue, to a person from 6719
whose winnings an amount has been deducted and withheld, a receipt 6720
for the amount deducted and withheld, and also shall obtain from 6721
the person additional information that will be necessary for the 6722
casino operator to prepare the returns required by this section. 6723

(2) If a person's winnings at a casino facility require 6724
reporting to the internal revenue service under division (A)(1) of 6725
this section, the casino operator also shall require the person to 6726
state in writing, under penalty of falsification, whether the 6727
person is in default under a support order. 6728

(B) Amounts deducted and withheld by a casino operator are 6729
held in trust for the benefit of the state and municipal 6730
corporations, as applicable. 6731

(1) On or before the tenth ~~banking~~ day of each month, the 6732
casino operator shall file a return electronically with the tax 6733
commissioner and the tax administrator of the municipal 6734
corporation, as applicable, identifying the persons from whose 6735
winnings amounts were deducted and withheld ~~and,~~ the amount of 6736
each such deduction and withholding during the preceding calendar 6737

month, the amount of the winnings from which each such amount was 6738
withheld, the type of casino gaming that resulted in such 6739
winnings, and any other information required by the tax 6740
commissioner. With the return, the casino operator shall remit 6741
electronically to the ~~tax~~ commissioner and the tax administrator 6742
of the municipal corporation, as applicable, all the amounts 6743
deducted and withheld during the preceding month. ~~And together~~ 6744
~~with the return and remittance, the casino operator shall transmit~~ 6745
~~electronically to the tax commissioner a copy of each receipt~~ 6746
~~issued, and a copy of each statement made, under divisions (A)(1)~~ 6747
~~and (2) of this section.~~ 6748

(2)(a) A casino operator shall maintain a record of each 6749
written statement provided under division (A)(2) of this section 6750
in which a person admits to being in default under a support 6751
order. The casino operator shall make these records available to 6752
the director of job and family services upon request. 6753

(b) A casino operator shall maintain copies of receipts 6754
issued under division (A)(1) of this section and of written 6755
statements provided under division (A)(2) of this section and 6756
shall make these copies available to the tax commissioner upon 6757
request. 6758

(c) A casino operator shall maintain the information 6759
described in divisions (B)(2)(a) and (b) of this section in 6760
accordance with section 5747.17 of the Revised Code and any rules 6761
adopted pursuant thereto. 6762

(3) Annually, on or before the thirty-first day of January, a 6763
casino operator shall file an annual return electronically with 6764
the tax commissioner and the tax administrator of the municipal 6765
corporation, as applicable, indicating the total amount deducted 6766
and withheld during the preceding calendar year. The casino 6767
operator shall remit electronically with the annual return any 6768
amount that was deducted and withheld and that was not previously 6769

remitted. If the identity of a person and the amount deducted and 6770
withheld with respect to that person were omitted on a monthly 6771
return, that information shall be indicated on the annual return. 6772
~~And if a copy of the receipt and statement pertaining to a person~~ 6773
~~was not previously transmitted to the tax commissioner, the~~ 6774
~~receipt and statement shall be transmitted to the tax commissioner~~ 6775
~~electronically with the annual return.~~ 6776

~~(3)~~(4)(a) A casino operator who fails to file a return and 6777
remit the amounts deducted and withheld is personally liable for 6778
the amount deducted and withheld and not remitted. The ~~tax~~ 6779
commissioner and the tax administrator of the municipal 6780
corporation, as applicable, may impose a penalty up to one 6781
thousand dollars if a return is filed late, if amounts deducted 6782
and withheld are remitted late, if a return is not filed, or if 6783
amounts deducted and withheld are not remitted. Interest accrues 6784
on past due amounts deducted and withheld at the rate prescribed 6785
in section 5703.47 of the Revised Code. The ~~tax~~ commissioner and 6786
the tax administrator of the municipal corporation, as applicable, 6787
may collect past due amounts deducted and withheld and penalties 6788
and interest thereon by assessment under section 5747.13 of the 6789
Revised Code as if they were income taxes collected by an 6790
employer. 6791

(b) If a casino operator sells the casino facility or 6792
otherwise quits the casino business, the amounts deducted and 6793
withheld and any penalties and interest thereon are immediately 6794
due and payable. The successor shall withhold an amount of the 6795
purchase money that is sufficient to cover the amounts deducted 6796
and withheld and penalties and interest thereon until the 6797
predecessor casino operator produces either a receipt from the ~~tax~~ 6798
commissioner and the tax administrator of the municipal 6799
corporation, as applicable, showing that the amounts deducted and 6800
withheld and penalties and interest thereon have been paid or a 6801

certificate from the ~~tax~~ commissioner and the tax administrator of 6802
the municipal corporation, as applicable, indicating that no 6803
amounts deducted and withheld or penalties and interest thereon 6804
are due. If the successor fails to withhold purchase money, the 6805
successor is personally liable for payment of the amounts deducted 6806
and withheld and penalties and interest thereon, up to the amount 6807
of the purchase money. 6808

(C)(1) Annually, on or before the thirty-first day of 6809
January, a casino operator shall issue an information return to 6810
each person with respect to whom an amount has been deducted and 6811
withheld during the preceding calendar year. The information 6812
return shall show the total amount deducted from the person's 6813
winnings by the casino operator during the preceding calendar 6814
year. 6815

(2) Annually, on or before the thirty-first day of January, a 6816
casino operator shall provide to the commissioner a copy of each 6817
information return issued under division (C)(1) of this section 6818
for the preceding calendar year. The commissioner may require that 6819
the copies be transmitted electronically. 6820

(D) Amounts deducted and withheld shall be ~~treated~~ allowed as 6821
a credit against payment of the tax imposed by section 5747.02 of 6822
the Revised Code and shall be treated as taxes paid for purposes 6823
of section 5747.09 of the Revised Code. ~~The credit is refundable~~ 6824
~~and shall be claimed in the order required under section 5747.98~~ 6825
~~of the Revised Code. Only~~ This division applies only to the person 6826
for whom the amount is deducted and withheld ~~may claim a credit~~ 6827
~~for such amount.~~ 6828

(E) The failure of a casino operator to deduct and withhold 6829
the required amount from a person's winnings does not relieve the 6830
person from liability for the tax imposed by section 5747.02 of 6831
the Revised Code with respect to those winnings. And compliance 6832
with this section does not relieve a casino operator or a person 6833

who has winnings at a casino facility from compliance with 6834
relevant provisions of federal tax laws. 6835

(F) The tax commissioner and the tax administrator of the 6836
municipal corporation, as applicable, shall prescribe the form of 6837
the receipt, ~~statement,~~ and returns required by this section. The 6838
director of job and family services shall prescribe the form of 6839
the statement required by this section. 6840

(G) The commissioner may adopt rules that are necessary to 6841
administer this section. 6842

Sec. 5747.064. (A) As used in this section, "video lottery 6843
terminal" has the same meaning as in section 3770.21 of the 6844
Revised Code. 6845

(B) If a person's prize award from a video lottery terminal 6846
are an amount for which reporting to the internal revenue service 6847
of the amount is required by section 6041 of the Internal Revenue 6848
Code, as amended, the lottery sales agent shall deduct and 6849
withhold Ohio income tax from the person's prize award at a rate 6850
of four per cent of the amount won and shall deduct and withhold 6851
municipal income tax from the person's winnings at the rate of tax 6852
of the municipal corporation in which the video lottery terminal 6853
facility is located. The lottery sales agent shall issue, to a 6854
person from whose prize award an amount has been deducted or 6855
withheld, a receipt for the amount deducted and withheld, and also 6856
shall obtain from the person additional information that will be 6857
necessary for the lottery sales agent to prepare the returns 6858
required by this section. 6859

(C) Amounts deducted and withheld by a lottery sales agent 6860
are held in trust for the benefit of the state and municipal 6861
corporations, as applicable. 6862

(1) On or before the tenth day of each month, the lottery 6863

sales agent shall file a return electronically with the tax commissioner and the tax administrator of the municipal corporation, as applicable, identifying the persons from whose prize awards amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding month, the amount of the prize award from which each such amount was withheld, and any other information required by the commissioner and the tax administrator of the municipal corporation, as applicable. With the return, the lottery sales agent shall remit electronically to the commissioner and the tax administrator of the municipal corporation, as applicable, all the amounts deducted and withheld during the preceding month.

(2) A lottery sales agent shall maintain a record of all receipts issued under division (B) of this section and shall make those records available to the commissioner and the tax administrator of the municipal corporation, as applicable, upon request. Such records shall be maintained in accordance with section 5747.17 of the Revised Code and any rules adopted pursuant thereto.

(3) Annually, on or before the thirty-first day of January, a lottery sales agent shall file an annual return electronically with the tax commissioner and the tax administrator of the municipal corporation, as applicable, indicating the total amount deducted and withheld during the preceding calendar year. The lottery sales agent shall remit electronically with the annual return any amount that was deducted and withheld and that was not previously remitted. If the identity of a person and the amount deducted and withheld with respect to that person were omitted on a monthly return, that information shall be indicated on the annual return.

(4)(a) A lottery sales agent who fails to file a return and remit the amounts deducted and withheld is personally liable for

the amount deducted and withheld and not remitted. The 6896
commissioner and the tax administrator of the municipal 6897
corporation, as applicable, may impose a penalty of up to one 6898
thousand dollars if a return is filed late, if amounts deducted 6899
and withheld are remitted late, if a return is not filed, or if 6900
amounts deducted and withheld are not remitted. Interest accrues 6901
on past due amounts deducted and withheld at the rate prescribed 6902
in section 5703.47 of the Revised Code. The commissioner and the 6903
tax administrator of the municipal corporation, as applicable, may 6904
collect past due amounts deducted and withheld and penalties and 6905
interest thereon by assessment under section 5747.13 of the 6906
Revised Code as if they were income taxes collected by an 6907
employer. 6908

(b) If a lottery sales agent ceases to operate video lottery 6909
terminals, the amounts deducted and withheld and any penalties and 6910
interest thereon are immediately due and payable. A successor of 6911
the lottery sales agent that purchases the video lottery terminals 6912
from the agent shall withhold an amount of the purchase money that 6913
is sufficient to cover the amounts deducted and withheld and 6914
penalties and interest thereon until the predecessor lottery sales 6915
agent produces either a receipt from the tax commissioner and the 6916
tax administrator of the municipal corporation, as applicable, 6917
showing that the amounts deducted and withheld and penalties and 6918
interest thereon have been paid or a certificate from the 6919
commissioner and the tax administrator of the municipal 6920
corporation, as applicable, indicating that no amounts deducted 6921
and withheld or penalties and interest thereon are due. If the 6922
successor fails to withhold purchase money, the successor is 6923
personally liable for payment of the amounts deducted and withheld 6924
and penalties and interest thereon, up to the amount of the 6925
purchase money. 6926

(D)(1) Annually, on or before the thirty-first day of 6927

January, a lottery sales agent shall issue an information return 6928
to each person with respect to whom an amount has been deducted 6929
and withheld during the preceding calendar year. The information 6930
return shall show the total amount deducted from the person's 6931
prize award by the lottery sales agent during the preceding year. 6932

(2) Annually, on or before the thirty-first day of January, a 6933
lottery sales agent shall provide to the tax commissioner and the 6934
tax administrator of the municipal corporation, as applicable, a 6935
copy of each information return issued under division (D)(1) of 6936
this section for the preceding calendar year. The commissioner and 6937
the tax administrator of the municipal corporation, as applicable, 6938
may require that such copies be transmitted electronically. 6939

(E) Amounts deducted and withheld shall be allowed as a 6940
credit against payment of the tax imposed by section 5747.02 of 6941
the Revised Code and shall be treated as taxes paid for purposes 6942
of section 5747.09 of the Revised Code. This division applies only 6943
to the person for whom the amount is deducted and withheld. 6944

(F) The failure of a lottery sales agent to deduct and 6945
withhold the required amount from a person's prize award does not 6946
relieve the person from liability for the tax imposed by section 6947
5747.02 of the Revised Code with respect to that income. 6948
Compliance with this section does not relieve a lottery sales 6949
agent or a person who has a prize award from compliance with 6950
relevant provisions of federal tax laws. 6951

(G) The commissioner and the tax administrator of the 6952
municipal corporation, as applicable, shall prescribe the form of 6953
the receipt and returns required by this section and the 6954
commissioner may promulgate any rules necessary to administer the 6955
section. 6956

Sec. 5747.08. An annual return with respect to the tax 6957
imposed by section 5747.02 of the Revised Code and each tax 6958

imposed under Chapter 5748. of the Revised Code shall be made by 6959
every taxpayer for any taxable year for which the taxpayer is 6960
liable for the tax imposed by that section or under that chapter, 6961
unless the total credits allowed under divisions (E), (F), and (G) 6962
of section 5747.05 of the Revised Code for the year are equal to 6963
or exceed the tax imposed by section 5747.02 of the Revised Code, 6964
in which case no return shall be required unless the taxpayer is 6965
liable for a tax imposed pursuant to Chapter 5748. of the Revised 6966
Code. 6967

(A) If an individual is deceased, any return or notice 6968
required of that individual under this chapter shall be made and 6969
filed by that decedent's executor, administrator, or other person 6970
charged with the property of that decedent. 6971

(B) If an individual is unable to make a return or notice 6972
required by this chapter, the return or notice required of that 6973
individual shall be made and filed by the individual's duly 6974
authorized agent, guardian, conservator, fiduciary, or other 6975
person charged with the care of the person or property of that 6976
individual. 6977

(C) Returns or notices required of an estate or a trust shall 6978
be made and filed by the fiduciary of the estate or trust. 6979

(D)(1)(a) Except as otherwise provided in division (D)(1)(b) 6980
of this section, any pass-through entity may file a single return 6981
on behalf of one or more of the entity's investors other than an 6982
investor that is a person subject to the tax imposed under section 6983
5733.06 of the Revised Code. The single return shall set forth the 6984
name, address, and social security number or other identifying 6985
number of each of those pass-through entity investors and shall 6986
indicate the distributive share of each of those pass-through 6987
entity investor's income taxable in this state in accordance with 6988
sections 5747.20 to 5747.231 of the Revised Code. Such 6989
pass-through entity investors for whom the pass-through entity 6990

elects to file a single return are not entitled to the exemption 6991
or credit provided for by sections 5747.02 and 5747.022 of the 6992
Revised Code; shall calculate the tax before business credits at 6993
the highest rate of tax set forth in section 5747.02 of the 6994
Revised Code for the taxable year for which the return is filed; 6995
and are entitled to only their distributive share of the business 6996
credits as defined in division (D)(2) of this section. A single 6997
check drawn by the pass-through entity shall accompany the return 6998
in full payment of the tax due, as shown on the single return, for 6999
such investors, other than investors who are persons subject to 7000
the tax imposed under section 5733.06 of the Revised Code. 7001

(b)(i) A pass-through entity shall not include in such a 7002
single return any investor that is a trust to the extent that any 7003
direct or indirect current, future, or contingent beneficiary of 7004
the trust is a person subject to the tax imposed under section 7005
5733.06 of the Revised Code. 7006

(ii) A pass-through entity shall not include in such a single 7007
return any investor that is itself a pass-through entity to the 7008
extent that any direct or indirect investor in the second 7009
pass-through entity is a person subject to the tax imposed under 7010
section 5733.06 of the Revised Code. 7011

(c) Nothing in division (D) of this section precludes the tax 7012
commissioner from requiring such investors to file the return and 7013
make the payment of taxes and related interest, penalty, and 7014
interest penalty required by this section or section 5747.02, 7015
5747.09, or 5747.15 of the Revised Code. Nothing in division (D) 7016
of this section shall be construed to provide to such an investor 7017
or pass-through entity any additional deduction or credit, other 7018
than the credit provided by division (J) of this section, solely 7019
on account of the entity's filing a return in accordance with this 7020
section. Such a pass-through entity also shall make the filing and 7021
payment of estimated taxes on behalf of the pass-through entity 7022

investors other than an investor that is a person subject to the 7023
tax imposed under section 5733.06 of the Revised Code. 7024

(2) For the purposes of this section, "business credits" 7025
means the credits listed in section 5747.98 of the Revised Code 7026
excluding the following credits: 7027

(a) The retirement credit under division (B) of section 7028
5747.055 of the Revised Code; 7029

(b) The senior citizen credit under division (C) of section 7030
5747.05 of the Revised Code; 7031

(c) The lump sum distribution credit under division (D) of 7032
section 5747.05 of the Revised Code; 7033

(d) The dependent care credit under section 5747.054 of the 7034
Revised Code; 7035

(e) The lump sum retirement income credit under division (C) 7036
of section 5747.055 of the Revised Code; 7037

(f) The lump sum retirement income credit under division (D) 7038
of section 5747.055 of the Revised Code; 7039

(g) The lump sum retirement income credit under division (E) 7040
of section 5747.055 of the Revised Code; 7041

(h) The credit for displaced workers who pay for job training 7042
under section 5747.27 of the Revised Code; 7043

(i) The twenty-dollar personal exemption credit under section 7044
5747.022 of the Revised Code; 7045

(j) The joint filing credit under division (G) of section 7046
5747.05 of the Revised Code; 7047

(k) The nonresident credit under division (A) of section 7048
5747.05 of the Revised Code; 7049

(l) The credit for a resident's out-of-state income under 7050
division (B) of section 5747.05 of the Revised Code; 7051

(m) The low-income credit under section 5747.056 of the Revised Code. 7052
7053

(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return. 7054
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(4) If a pass-through entity makes the election provided for under division (D) of this section, the pass-through entity shall be liable for any additional taxes, interest, interest penalty, or penalties imposed by this chapter if the tax commissioner finds that the single return does not reflect the correct tax due by the pass-through entity investors covered by that return. Nothing in this division shall be construed to limit or alter the liability, if any, imposed on pass-through entity investors for unpaid or underpaid taxes, interest, interest penalty, or penalties as a result of the pass-through entity's making the election provided for under division (D) of this section. For the purposes of division (D) of this section, "correct tax due" means the tax that would have been paid by the pass-through entity had the single return been filed in a manner reflecting the ~~tax~~ commissioner's findings. Nothing in division (D) of this section shall be construed to make or hold a pass-through entity liable for tax attributable to a pass-through entity investor's income from a source other than the pass-through entity electing to file the single return. 7062
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(E) If a husband and wife file a joint federal income tax return for a taxable year, they shall file a joint return under this section for that taxable year, and their liabilities are 7081
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joint and several, but, if the federal income tax liability of 7084
either spouse is determined on a separate federal income tax 7085
return, they shall file separate returns under this section. 7086

If either spouse is not required to file a federal income tax 7087
return and either or both are required to file a return pursuant 7088
to this chapter, they may elect to file separate or joint returns, 7089
and, pursuant to that election, their liabilities are separate or 7090
joint and several. If a husband and wife file separate returns 7091
pursuant to this chapter, each must claim the taxpayer's own 7092
exemption, but not both, as authorized under section 5747.02 of 7093
the Revised Code on the taxpayer's own return. 7094

(F) Each return or notice required to be filed under this 7095
section shall contain the signature of the taxpayer or the 7096
taxpayer's duly authorized agent and of the person who prepared 7097
the return for the taxpayer, and shall include the taxpayer's 7098
social security number. Each return shall be verified by a 7099
declaration under the penalties of perjury. The tax commissioner 7100
shall prescribe the form that the signature and declaration shall 7101
take. 7102

(G) Each return or notice required to be filed under this 7103
section shall be made and filed as required by section 5747.04 of 7104
the Revised Code, on or before the fifteenth day of April of each 7105
year, on forms that the tax commissioner shall prescribe, together 7106
with remittance made payable to the treasurer of state in the 7107
combined amount of the state and all school district income taxes 7108
shown to be due on the form, unless the combined amount shown to 7109
be due is one dollar or less, in which case that amount need not 7110
be remitted. 7111

Upon good cause shown, the ~~tax~~ commissioner may extend the 7112
period for filing any notice or return required to be filed under 7113
this section and may adopt rules relating to extensions. If the 7114
extension results in an extension of time for the payment of any 7115

state or school district income tax liability with respect to 7116
which the return is filed, the taxpayer shall pay at the time the 7117
tax liability is paid an amount of interest computed at the rate 7118
per annum prescribed by section 5703.47 of the Revised Code on 7119
that liability from the time that payment is due without extension 7120
to the time of actual payment. Except as provided in section 7121
5747.132 of the Revised Code, in addition to all other interest 7122
charges and penalties, all taxes imposed under this chapter or 7123
Chapter 5748. of the Revised Code and remaining unpaid after they 7124
become due, except combined amounts due of one dollar or less, 7125
bear interest at the rate per annum prescribed by section 5703.47 7126
of the Revised Code until paid or until the day an assessment is 7127
issued under section 5747.13 of the Revised Code, whichever occurs 7128
first. 7129

If the ~~tax~~ commissioner considers it necessary in order to 7130
ensure the payment of the tax imposed by section 5747.02 of the 7131
Revised Code or any tax imposed under Chapter 5748. of the Revised 7132
Code, the ~~tax~~ commissioner may require returns and payments to be 7133
made otherwise than as provided in this section. 7134

To the extent that any provision in this division conflicts 7135
with any provision in section 5747.026 of the Revised Code, the 7136
provision in that section prevails. 7137

(H) If any report, claim, statement, or other document 7138
required to be filed, or any payment required to be made, within a 7139
prescribed period or on or before a prescribed date under this 7140
chapter is delivered after that period or that date by United 7141
States mail to the agency, officer, or office with which the 7142
report, claim, statement, or other document is required to be 7143
filed, or to which the payment is required to be made, the date of 7144
the postmark stamped on the cover in which the report, claim, 7145
statement, or other document, or payment is mailed shall be deemed 7146
to be the date of delivery or the date of payment. 7147

If a payment is required to be made by electronic funds 7148
transfer pursuant to section 5747.072 of the Revised Code, the 7149
payment is considered to be made when the payment is received by 7150
the treasurer of state or credited to an account designated by the 7151
treasurer of state for the receipt of tax payments. 7152

"The date of the postmark" means, in the event there is more 7153
than one date on the cover, the earliest date imprinted on the 7154
cover by the United States postal service. 7155

(I) The amounts withheld by ~~the~~ an employer pursuant to 7156
section 5747.06 of the Revised Code a casino operator pursuant to 7157
section 5747.063 of the Revised Code, or a lottery sales agent 7158
pursuant to section 5747.064 of the Revised Code shall be allowed 7159
to the recipient of the compensation casino winnings, or lottery 7160
prize award as credits against payment of the appropriate taxes 7161
imposed on the recipient by section 5747.02 and under Chapter 7162
5748. of the Revised Code. 7163

(J) If, in accordance with division (D) of this section, a 7164
pass-through entity elects to file a single return and if any 7165
investor is required to file the return and make the payment of 7166
taxes required by this chapter on account of the investor's other 7167
income that is not included in a single return filed by a 7168
pass-through entity, the investor is entitled to a refundable 7169
credit equal to the investor's proportionate share of the tax paid 7170
by the pass-through entity on behalf of the investor. The investor 7171
shall claim the credit for the investor's taxable year in which or 7172
with which ends the taxable year of the pass-through entity. 7173
Nothing in this chapter shall be construed to allow any credit 7174
provided in this chapter to be claimed more than once. For the 7175
purposes of computing any interest, penalty, or interest penalty, 7176
the investor shall be deemed to have paid the refundable credit 7177
provided by this division on the day that the pass-through entity 7178
paid the estimated tax or the tax giving rise to the credit. 7179

(K) The tax commissioner shall ensure that each return 7180
required to be filed under this section includes a box that the 7181
taxpayer may check to authorize a paid tax preparer who prepared 7182
the return to communicate with the department of taxation about 7183
matters pertaining to the return. The return or instructions 7184
accompanying the return shall indicate that by checking the box 7185
the taxpayer authorizes the department of taxation to contact the 7186
preparer concerning questions that arise during the processing of 7187
the return and authorizes the preparer only to provide the 7188
department with information that is missing from the return, to 7189
contact the department for information about the processing of the 7190
return or the status of the taxpayer's refund or payments, and to 7191
respond to notices about mathematical errors, offsets, or return 7192
preparation that the taxpayer has received from the department and 7193
has shown to the preparer. 7194

(L) The tax commissioner shall permit individual taxpayers to 7195
instruct the department of taxation to cause any refund of 7196
overpaid taxes to be deposited directly into a checking account, 7197
savings account, or an individual retirement account or individual 7198
retirement annuity, or preexisting college savings plan or program 7199
account offered by the Ohio tuition trust authority under Chapter 7200
3334. of the Revised Code, as designated by the taxpayer, when the 7201
taxpayer files the annual return required by this section 7202
electronically. 7203

(M) The tax commissioner may adopt rules to administer this 7204
section. 7205

Sec. 5747.12. If a person entitled to a refund under section 7206
5747.11 or 5747.13 of the Revised Code is indebted to this state 7207
for any tax, workers' compensation premium due under section 7208
4123.35 of the Revised Code, unemployment compensation 7209
contribution due under section 4141.25 of the Revised Code, 7210

certified claim under section 131.02 or 131.021 of the Revised 7211
Code, or fee that is paid to the state or to the clerk of courts 7212
pursuant to section 4505.06 of the Revised Code, or any charge, 7213
penalty, or interest arising from such a tax, workers' 7214
compensation premium, unemployment compensation contribution, 7215
certified claim, or fee, the amount refundable may be applied in 7216
satisfaction of the debt. If the amount refundable is less than 7217
the amount of the debt, it may be applied in partial satisfaction 7218
of the debt. If the amount refundable is greater than the amount 7219
of the debt, the amount remaining after satisfaction of the debt 7220
shall be refunded. If the person has more than one such debt, any 7221
debt subject to section 5739.33 or division (G) of section 5747.07 7222
of the Revised Code or arising under section 5747.063 or 5747.064 7223
of the Revised Code shall be satisfied first. Except as provided 7224
in section 131.021 of the Revised Code, this section applies only 7225
to debts that have become final. 7226

The tax commissioner may charge each respective agency of the 7227
state for the commissioner's cost in applying refunds to debts due 7228
to the state and may charge the attorney general for the 7229
commissioner's cost in applying refunds to certified claims. The 7230
commissioner may promulgate rules to implement this section. The 7231
rules may address, among other things, situations such as those 7232
where persons may jointly be entitled to a refund but do not 7233
jointly owe a debt or certified claim. 7234

The ~~tax~~ commissioner may, with the consent of the taxpayer, 7235
provide for the crediting, against tax imposed under this chapter 7236
or Chapter 5748. of the Revised Code and due for any taxable year, 7237
of the amount of any refund due the taxpayer under this chapter or 7238
Chapter 5748. of the Revised Code, as appropriate, for a preceding 7239
taxable year. 7240

Sec. 5747.98. (A) To provide a uniform procedure for 7241

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| calculating the amount of tax due under section 5747.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order: | 7242 7243 7244 |
| (1) The retirement income credit under division (B) of section 5747.055 of the Revised Code; | 7245 7246 |
| (2) The senior citizen credit under division (C) of section 5747.05 of the Revised Code; | 7247 7248 |
| (3) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code; | 7249 7250 |
| (4) The dependent care credit under section 5747.054 of the Revised Code; | 7251 7252 |
| (5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code; | 7253 7254 |
| (6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code; | 7255 7256 |
| (7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code; | 7257 7258 |
| (8) The low-income credit under section 5747.056 of the Revised Code; | 7259 7260 |
| (9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code; | 7261 7262 |
| (10) The campaign contribution credit under section 5747.29 of the Revised Code; | 7263 7264 |
| (11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code; | 7265 7266 |
| (12) The joint filing credit under division (G) of section 5747.05 of the Revised Code; | 7267 7268 |
| (13) The nonresident credit under division (A) of section 5747.05 of the Revised Code; | 7269 7270 |

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| (14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code; | 7271 7272 |
| (15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code; | 7273 7274 |
| (16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code; | 7275 7276 |
| (17) The credit for adoption of a minor child under section 5747.37 of the Revised Code; | 7277 7278 |
| (18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code; | 7279 7280 |
| (19) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code; | 7281 7282 |
| (20) The credit for selling alternative fuel under section 5747.77 of the Revised Code; | 7283 7284 |
| (21) The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code; | 7285 7286 7287 |
| (22) The job training credit under section 5747.39 of the Revised Code; | 7288 7289 |
| (23) The enterprise zone credit under section 5709.66 of the Revised Code; | 7290 7291 |
| (24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code; | 7292 7293 |
| (25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code; | 7294 7295 |
| (26) The ethanol plant investment credit under section 5747.75 of the Revised Code; | 7296 7297 |
| (27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code; | 7298 7299 |

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| (28) The small business investment credit under section 5747.81 of the Revised Code; | 7300 7301 |
| (29) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code; | 7302 7303 |
| (30) The enterprise zone credits under section 5709.65 of the Revised Code; | 7304 7305 |
| (31) The research and development credit under section 5747.331 of the Revised Code; | 7306 7307 |
| (32) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code; | 7308 7309 |
| (33) The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code; | 7310 7311 |
| (34) The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code; | 7312 7313 |
| (35) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code; | 7314 7315 |
| (36) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code; | 7316 7317 7318 |
| (37) The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code; | 7319 7320 |
| (38) The refundable credit for tax withheld under section 5747.063 of the Revised Code; | 7321 7322 |
| (39) The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code; | 7323 7324 7325 |
| (40) (38) The refundable motion picture production credit under section 5747.66 of the Revised Code. | 7326 7327 |
| (B) For any credit, except the refundable credits enumerated | 7328 |

in this section and the credit granted under division (I) of 7329
section 5747.08 of the Revised Code, the amount of the credit for 7330
a taxable year shall not exceed the tax due after allowing for any 7331
other credit that precedes it in the order required under this 7332
section. Any excess amount of a particular credit may be carried 7333
forward if authorized under the section creating that credit. 7334
Nothing in this chapter shall be construed to allow a taxpayer to 7335
claim, directly or indirectly, a credit more than once for a 7336
taxable year. 7337

Sec. 5753.03. (A) For the purpose of receiving and 7338
distributing, and accounting for, revenue received from the tax 7339
levied by section 5753.02 of the Revised Code, the following funds 7340
are created in the state treasury: 7341

- (1) The casino tax revenue fund; 7342
- (2) The gross casino revenue county fund; 7343
- (3) The gross casino revenue county student fund; 7344
- (4) The gross casino revenue host city fund; 7345
- (5) The Ohio state racing commission fund; 7346
- (6) The Ohio law enforcement training fund; 7347
- (7) The problem casino gambling and addictions fund; 7348
- (8) The casino control commission fund; 7349
- (9) The casino tax administration fund. 7350

(B) All moneys collected from the tax levied under this 7351
chapter shall be deposited into the casino tax revenue fund. 7352

(C) From the casino tax revenue fund the director of budget 7353
and management shall transfer as needed to the tax refund fund 7354
amounts equal to the refunds certified by the tax commissioner 7355
under section 5753.06 of the Revised Code. 7356

(D) After making any transfers required by division (C) of 7357
this section, but not later than the fifteenth day of the month 7358
following the end of each calendar quarter, the director of budget 7359
and management shall transfer amounts to each fund as follows: 7360

(1) Fifty-one per cent to the gross casino revenue county 7361
fund to make payments as required by Section 6(C)(3)(a) of Article 7362
XV, Ohio Constitution; 7363

(2) Thirty-four per cent to the gross casino revenue county 7364
student fund to make payments as required by Section 6(C)(3)(b) of 7365
Article XV, Ohio Constitution and as provided in section 5753.11 7366
of the Revised Code; 7367

(3) Five per cent to the gross casino revenue host city fund 7368
for the benefit of the cities in which casino facilities are 7369
located; 7370

(4) Three per cent to the Ohio state racing commission fund 7371
to support horse racing in this state at which the pari-mutuel 7372
system of wagering is conducted; 7373

(5) Two per cent to the Ohio law enforcement training fund to 7374
support law enforcement functions in the state; 7375

(6) Two per cent to the problem casino gambling and 7376
addictions fund to support efforts to alleviate problem gambling 7377
and substance abuse and related research in the state; 7378

(7) Three per cent to the casino control commission fund to 7379
support the operations of the Ohio casino control commission and 7380
to defray the cost of administering the tax levied under section 7381
5753.02 of the Revised Code. 7382

Payments under divisions (D)(1), ~~(2)~~, and (3) of this section 7383
shall be made by the end of the month following the end of the 7384
quarterly period. The tax commissioner shall make the data 7385
available to the director of budget and management for this 7386

purpose. 7387

Payments from the gross casino revenue county student fund as 7388
required under section 5753.11 of the Revised Code shall be made 7389
by the last day of January and by the last day of August of each 7390
year, beginning in 2013. The tax commissioner shall make the data 7391
available to the director of budget and management for this 7392
purpose. 7393

Of the money credited to the Ohio law enforcement training 7394
fund, the director of budget and management shall distribute 7395
eighty-five per cent of the money to the Ohio peace officer 7396
training academy and fifteen per cent of the money to the division 7397
of criminal justice services. 7398

(E)(1) The tax commissioner shall serve as an agent of the 7399
counties of this state only for the purposes of this division and 7400
solely to make payments directly to municipal corporations and 7401
school districts, as applicable, on the counties' behalf. 7402

(2) On or before the last day of the month following the end 7403
of each calendar quarter, the tax commissioner shall provide for 7404
payment from the funds referenced in divisions (D)(1) and (3) of 7405
this section to each county and municipal corporation as 7406
prescribed in those divisions. 7407

(3) On or before the last day of January and the last day of 7408
August each year, the commissioner shall provide for payments from 7409
the fund referenced in division (D)(2) of this section to each 7410
school district as prescribed in that division. 7411

(F) The director of budget and management shall transfer one 7412
per cent of the money credited to the casino control commission 7413
fund to the casino tax administration fund. The tax commissioner 7414
shall use the casino tax administration fund to defray the costs 7415
incurred in administering the tax levied by this chapter. 7416

(G) All investment earnings of the gross casino revenue 7417

county student fund shall be credited to the fund. 7418

Sec. 5753.11. (A) As used in this section: 7419

(1) "Public school district" means any city, local, exempted 7420
village, or joint vocational school district, community school 7421
established under Chapter 3314. of the Revised Code, STEM school 7422
established under Chapter 3326. of the Revised Code, or 7423
college-preparatory boarding school established under Chapter 7424
3328. of the Revised Code. "Public school district" does not 7425
include any STEM school operated under section 3326.51 of the 7426
Revised Code. 7427

(2) "Student population" means the number of students 7428
residing in a county who are enrolled in a public school district 7429
in grades kindergarten through twelve and the total number of 7430
preschool children with disabilities on the following dates: 7431

(a) For the January distribution, the Friday of the first 7432
full school week in October; 7433

(b) For the August distribution, the Friday of the first full 7434
school week in May. 7435

(B) For the purpose of calculating student population, each 7436
public school district shall, twice annually, report to the 7437
department of education the students enrolled in the district on 7438
the days specified in division (A)(2) of this section. A student 7439
shall be considered to be enrolled in a public school district if 7440
the student is participating in education programs of the public 7441
school district and the public school district has not: 7442

(1) Received documentation from a parent terminating 7443
enrollment of the student; 7444

(2) Been provided documentation of a student's enrollment in 7445
another public or private school; or 7446

(3) Ceased to offer education to the student. 7447

If more than one public school district reports a student as enrolled, the department shall use procedures adopted by the department for the reconciliation of enrollment to determine the district of enrollment for purposes of this section. In the case of the dual enrollment of a student in a joint vocational school district and another public school district, the student shall be included in the enrollments for both schools. If the valid school district or enrollment cannot be determined in time for the certification, the count of these students shall be divided equally between the reporting districts.

(C) The department of education shall certify to the department of taxation the student population for each county and the student population for each public school district located in whole or in part in the county on or before the thirtieth day of December, for the January distribution and on or before the thirtieth day of July, for the August distribution. A student shall be included in the school district enrollment for a county only if a student resides in that county. The location of each community school shall be the enrollment area required to be defined by the community school and its sponsor in accordance with division (A)(19) of section 3314.03 of the Revised Code, the location of each STEM schools shall be any county in which its enrolled students reside, and the location of the college-preparatory boarding schools shall be the territory of the school district in which the college-preparatory school is located or the territory of any city, exempted village, or local school district that has agreed to be a participating district under section 3328.04 of the Revised Code.

The student population count certified by the department of education to the department of taxation is final and shall not be adjusted by future updates to the counts.

(D) Not later than the thirty-first day of January and the

thirty-first day of August of each year, the tax commissioner 7480
shall distribute funds in the gross casino revenue county student 7481
fund to public school districts. The commissioner shall calculate 7482
the amount of funds to distribute to each public school district 7483
as follows: 7484

(1) The commissioner shall calculate the proportional share 7485
of the funds attributable to each county by dividing the total 7486
student population certified for each county by the sum of the 7487
total student population certified in all counties statewide. 7488

(2) The commissioner shall multiply the amount in division 7489
(D)(1) of this section by the total amount of funds in the gross 7490
casino revenue county student fund to obtain the share of funds 7491
for each county. 7492

(3) The commissioner shall multiply the amount in division 7493
(D)(2) of this section by the quotient of the student population 7494
certified for each individual district located in the county 7495
divided by the sum of the student population certified for all 7496
public school districts located in the county. 7497

The commissioner shall distribute to each public school 7498
district the amount so calculated for each district. 7499

Section 2. That existing sections 122.014, 173.121, 718.03, 7500
2915.01, 2915.02, 2915.06, 2915.08, 2915.09, 2915.091, 2915.092, 7501
2915.093, 2915.094, 2915.10, 2915.101, 2915.12, 2923.31, 2933.51, 7502
3301.0714, 3769.08, 3769.087, 3769.089, 3769.0810, 3770.02, 7503
3770.05, 3770.07, 3770.071, 3770.072, 3770.073, 3770.21, 3772.01, 7504
3772.03, 3772.032, 3772.04, 3772.07, 3772.091, 3772.10, 3772.13, 7505
3772.16, 3772.17, 3772.28, 3772.99, 4301.03, 4303.17, 5703.21, 7506
5747.062, 5747.063, 5747.08, 5747.12, 5747.98, and 5753.03, and 7507
section 3772.14 of the Revised Code are hereby repealed. 7508

Section 3. That Section 3 of Sub. H.B. 277 of the 129th 7509

General Assembly be amended to read as follows: 7510

Sec. 3. (A) Notwithstanding sections 3769.04 and 3769.13 of 7511
the Revised Code, for a period of two years after the effective 7512
date of this section, a permit holder who is eligible to become a 7513
video lottery sales agent may apply to the State Racing Commission 7514
to move its track to another location using the following approval 7515
procedure: 7516

(1) The permit holder shall submit, for the consideration of 7517
the State Racing Commission in its determination on whether to 7518
approve the transfer, its proposal to the State Racing Commission 7519
and shall specify the location of the new track and the 7520
incremental economic benefits the permit holder is willing to 7521
provide to the state. 7522

(2) The State Racing Commission shall approve or deny the 7523
transfer. 7524

(3) The permit holder may apply to the State Lottery 7525
Commission for a video lottery sales agent license at the new 7526
track location. 7527

(B) The State Racing Commission, subject to division (D) of 7528
this section, shall give preference to transfer proposals 7529
involving moves to locations in which neither horse-racing 7530
meetings nor casino gaming have been authorized before July 1, 7531
2011. A permit holder that is authorized to transfer its track 7532
under this section and that is a video lottery sales agent may 7533
operate at a temporary facility at its new location while 7534
constructing or otherwise preparing its new track at that 7535
location. A permit holder that is not transferring its track and 7536
is remaining at its permitted location and that is a video lottery 7537
sales agent may operate a temporary facility at its permitted 7538
location while constructing or otherwise preparing its permanent 7539

video lottery terminal facility at its track. A temporary 7540
facility, either at a new track location or an existing track 7541
location of a track that does not transfer its track, shall meet 7542
any minimal capital investment and structure requirements 7543
established by rule by the State Racing Commission in conjunction 7544
with the State Lottery Commission. 7545

(C) The ~~state~~ State Racing Commission, in consultation with 7546
the Governor, may discuss and negotiate with parties regarding the 7547
transferring of racing permits to new track locations and may, in 7548
its discretion, enter into agreements regarding the transfer of 7549
permits to new locations in advance of the process set forth in 7550
this section. 7551

(D) A permit holder who is located on property owned by a 7552
political subdivision may move its track to a new location within 7553
twenty miles of its current location. Such a permit holder shall 7554
not be charged any fee by the state in exchange for applying for a 7555
move, for having its move approved, or for moving its existing 7556
track as specified under this division. The State Racing 7557
Commission shall give a preference greater than the preference 7558
given under division (B) of this section to such a permit holder 7559
as part of the approval procedure. 7560

(E) Chapter 2915. of the Revised Code does not apply to, 7561
affect, or prohibit lotteries or video lotteries conducted under 7562
this section and Chapter 3770. of the Revised Code. The State 7563
Racing Commission may not adopt rules regarding the operation of 7564
lotteries or video lotteries conducted under Chapter 3770. of the 7565
Revised Code. 7566

(F) The State Racing Commission may adopt rules under Chapter 7567
119. of the Revised Code to effectuate this section and to 7568
establish fees to relocate tracks for applicants under this 7569
section. 7570

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| (G) As used in this section: | 7571 |
| (1) "Permit holder" means a person that has been authorized by the State Racing Commission to conduct one or more horse-racing meetings under Chapter 3769. of the Revised Code. | 7572 7573 7574 |
| (2) "Track" means any place, track, or enclosure where a permit holder conducts live horse racing for profit at a racing meeting. "Track" includes facilities or premises contiguous or adjacent to those places, tracks, or enclosures. | 7575 7576 7577 7578 |
| (3) "Video lottery sales agent" means a person who is a permit holder and holds a current license issued by the State Lottery Commission to assist the Commission in conducting video lotteries through the use of video lottery terminals at a track. | 7579 7580 7581 7582 |
| Section 4. That existing Section 3 of Sub. H.B. 277 of the 129th General Assembly is hereby repealed. | 7583 7584 |
| Section 5. That Section 4 of Sub. H.B. 277 of the 129th General Assembly is hereby repealed. | 7585 7586 |
| Section 6. (A) The Governor is authorized to execute a deed in the name of the state conveying to Lebanon Trotting Club, Inc., and Miami Valley Trotting, Inc., the holders of pari-mutuel racing permits issued by the State Racing Commission, or to their respective successors and assigns (hereinafter collectively referred to as the "grantee"), all of the state's right, title, and interest in the following described real estate: | 7587 7588 7589 7590 7591 7592 7593 |
| Situated in Turtlecreek Township, City of Lebanon, County of Warren, State of Ohio and being part of Warren County Parcel Nos. 11064000140 and 12363000030, which land is situated at the northeast corner of the intersection of State Route 63 and Union Road, and is bounded to the west by Union Road, to the south by Route 63, and to the east by a private roadway used by the | 7594 7595 7596 7597 7598 7599 |

Department of Rehabilitation and Correction for ingress and egress 7600
from Route 63 to the Lebanon Correctional Institution's dairy 7601
barn. The northerly boundary shall be established by a survey 7602
designed to ensure that the land to be conveyed does not exceed 7603
one hundred twenty acres. 7604

In preparing the deed, the Auditor of State, with the 7605
assistance of the Attorney General, may modify the foregoing 7606
description insofar as necessary to bring it into conformity with 7607
the actual bounds of the real estate being described. 7608

(B) Consideration for conveyance of the real estate is four 7609
million five hundred thousand dollars. 7610

(C) The net proceeds of the sale of the real estate shall be 7611
deposited in the state treasury to the credit of the Department of 7612
Rehabilitation and Correction, Fund 2000, appropriation item 7613
501607, Ohio Penal Industries, which contains funds for 7614
expenditures on farm and agricultural uses, for which these 7615
proceeds shall be used. 7616

(D) The grantee, following the conveyance of the real estate, 7617
and in accordance with the terms of the purchase contract, shall 7618
do all of the following: 7619

(1) Permit the state and its successors and assigns perpetual 7620
ingress and egress rights to the culvert and roadway located along 7621
the easterly line of the real estate, which culvert and roadway 7622
are presently used by the state to access the Lebanon Correctional 7623
Institution's dairy barn. The grantee shall be responsible for all 7624
costs related to the continued maintenance of the culvert and 7625
roadway in their current condition. 7626

(2) Create and maintain, at the grantee's sole cost, a 7627
landscape buffer zone along the perimeter of the real estate. The 7628
design, location, and materials used in the landscape buffer zone 7629
shall be approved by the state. 7630

(3) Coordinate with the appropriate state and local 7631
authorities to improve State Route 63 with new signage and 7632
adequate turning lanes. 7633

(E) The grantee shall not use, develop, or sell the premises 7634
such that it will interfere with the quiet enjoyment of the 7635
neighboring state-owned land. 7636

(F) The real estate shall be sold as an entire tract and not 7637
in parcels. 7638

(G) The grantee shall pay all costs associated with the 7639
purchase and conveyance of the real estate, which costs shall 7640
include, but are not limited to, the following: surveying costs; 7641
title costs; preparation of metes and bounds property 7642
descriptions; appraisals; environmental studies, assessments, and 7643
remediation; and deed recordation costs. 7644

(H) The Auditor of State, with the assistance of the Attorney 7645
General, shall prepare a deed to the real estate. The deed shall 7646
state the consideration and the conditions. The deed shall be 7647
executed by the Governor in the name of the state, countersigned 7648
by the Secretary of State, sealed with the Great Seal of the 7649
State, presented in the Office of the Auditor of State for 7650
recording, and delivered to the grantee. The grantee shall present 7651
the deed for recording in the Office of the Warren County 7652
Recorder. 7653

(I) This section expires two years after its effective date. 7654

Section 7. (A) As used in this section: 7655

(1) "Permit holder" means a person that has been authorized 7656
by the State Racing Commission to conduct one or more horse-racing 7657
meetings under Chapter 3769. of the Revised Code. 7658

(2) "Track" means any place, track, or enclosure where a 7659
permit holder conducts live horse racing for profit at a racing 7660

meeting. "Track" includes facilities or premises contiguous or 7661
adjacent to those places, tracks, or enclosures. 7662

(B) There is hereby created in the state treasury the 7663
Racetrack Relocation Fund. The fund shall receive any money paid 7664
to the state by horse-racing permit holders for the privilege to 7665
relocate to a new facility in accordance with Section 3 of Sub. 7666
H.B. 277 of the 129th General Assembly, as amended by this act. 7667
Upon the allocation of all the money in the fund in accordance 7668
with this section, the fund shall cease to exist. 7669

(C) There is hereby created in the state treasury the 7670
Racetrack Facility Community Economic Redevelopment Fund into 7671
which shall be deposited moneys as specified by this section and 7672
rules promulgated by the State Racing Commission. The fund shall 7673
be used for repurposing or demolishing of an abandoned 7674
horse-racing facility or reinvestment in the area, neighborhood, 7675
and community near an abandoned facility, and for the costs of 7676
administering this program. The fund also shall be used for 7677
distribution, in each of fiscal years 2012 and 2013, of \$500,000 7678
to the municipal corporation or township where a commercial horse 7679
racetrack is located, excluding the previous community of each 7680
moved track. Any remaining funds shall be transferred to the 7681
General Revenue Fund. Upon the allocation of all the money in the 7682
fund in accordance with this section, the fund shall cease to 7683
exist. 7684

(D) The Director of Development or any successor department 7685
or agency shall oversee and administer the Racetrack Facility 7686
Community Economic Redevelopment Fund for the purpose of the 7687
repurposing or demolishing of an abandoned horse-racing facility 7688
or reinvestment in the area, neighborhood, and community near an 7689
abandoned facility through loans and grants, and for the purpose 7690
of providing funds for use by municipal corporations and townships 7691
in which racetracks are located, excluding the community of each 7692

moved track, for infrastructure or capital improvements and for 7693
other purposes. The Director shall provide guidelines for 7694
racetrack facility community economic development projects in the 7695
state. Projects may include, but are not limited to, site 7696
planning, site certification, structure demolition, physical site 7697
redevelopment, relocation of utilities, or construction. Projects 7698
shall not incorporate acquisition and related expense. Moneys in 7699
the fund may be used to pay reasonable costs incurred by the 7700
Director in administering this section. 7701

(E) The moneys in the Racetrack Relocation Fund shall be 7702
transferred by the Director of Budget and Management to the 7703
following funds in the following amounts: 7704

(1) Five hundred thousand dollars to the Problem Casino 7705
Gambling and Addictions Fund described in Section 6(C)(3)(g) of 7706
Article XV, Ohio Constitution, to be used for research and data 7707
collection on gambling addiction issues; 7708

(2) Not more than three million dollars to the previous 7709
community of each moved track, which shall be deposited in the 7710
Racetrack Facility Community Economic Redevelopment Fund; 7711

(3) Five hundred thousand dollars in each of FY 2012 and FY 7712
2013 to the municipal corporation or township in which each 7713
commercial racetrack is located, including a municipal corporation 7714
or township to which a racetrack relocates, but excluding the 7715
previous community of each moved track, of which at least 7716
seventy-five per cent is to be used for infrastructure or capital 7717
improvements; these funds shall be deposited in the Racetrack 7718
Facility Community Economic Redevelopment Fund. 7719

(4) The remainder to the General Revenue Fund. 7720

Section 8. Except as otherwise provided in this act, all 7721
appropriation items in this act are appropriated out of any moneys 7722

in the state treasury to the credit of the designated fund that 7723
are not otherwise appropriated. For all appropriations made in 7724
this act, the amounts in the first column are for fiscal year 2012 7725
and the amounts in the second column are for fiscal year 2013. 7726

DEV DEPARTMENT OF DEVELOPMENT 7727

5LU0 195673 Racetrack Facility \$ 15,500,000 \$ 3,500,000 7728
Community Economic
Redevelopment Fund

Up to twelve million dollars of the foregoing appropriation 7729
item 195673, Racetrack Facility Community Economic Redevelopment 7730
Fund, shall be used for the purpose of the repurposing or 7731
demolishing of an abandoned horse-racing facility or reinvestment 7732
in the area, neighborhood, and community near an abandoned 7733
facility. Any unexpended and unencumbered portion of this 7734
appropriation item at the end of fiscal year 2012 is hereby 7735
reappropriated for the same purpose in fiscal year 2013. 7736

Seven million dollars of the foregoing appropriation item 7737
195673, Racetrack Facility Community Economic Redevelopment Fund, 7738
shall be used by the municipal corporations or townships in which 7739
the commercial racetracks are located, including a municipal 7740
corporation or township to which a racetrack relocates but 7741
excluding the previous municipal corporation or township of each 7742
moved track. At least seventy-five per cent of amounts transferred 7743
to these municipal corporations or townships shall be used for 7744
infrastructure or capital improvements. 7745

The foregoing appropriation may be used to pay reasonable 7746
costs incurred by the Director of Development in administering the 7747
program. 7748

Section 9. Notwithstanding any provision in law to the 7749
contrary, the Director of Alcohol and Drug Addiction Services 7750

shall complete a study to identify the current status of gaming 7751
addiction problems within the state. In fiscal year 2013, the 7752
Director may certify to the Director of Budget and Management the 7753
cost, not exceeding two hundred fifty thousand dollars, incurred 7754
by the Department of Alcohol and Drug Addiction Services in 7755
conducting the gaming addiction study. In response to receiving 7756
this certification, the Director of Budget and Management may 7757
transfer the cost of the study in cash from the General Revenue 7758
Fund to the Problem Casino and Gambling Addictions Fund (Fund 7759
5JL0) to reimburse the fund for costs incurred in conducting the 7760
study. 7761

Section 10. (A) As used in this section: 7762

(1) "Sweepstakes" means any game, contest, advertising scheme 7763
or plan, or other promotion, but does not include bingo, or games 7764
or lotteries conducted by the state lottery commission, in which 7765
consideration is not required for a person to enter to win or to 7766
become eligible to receive any prize, the determination of which 7767
is based upon chance. 7768

(2) "Sweepstakes terminal device" means a mechanical, video, 7769
digital, or electronic machine or device that is owned, leased, or 7770
otherwise possessed by any person conducting a sweepstakes, or by 7771
that person's partners, affiliates, subsidiaries, or contractors, 7772
that is intended to be used by a sweepstakes participant who 7773
purchases a tangible product to enter a sweepstakes, and that is 7774
capable of displaying information on a screen or other mechanism. 7775
A device is a sweepstakes terminal device whether or not any of 7776
the following apply: 7777

(a) The device is server-based. 7778

(b) The device uses a simulated game terminal as a 7779
representation of the prizes associated with the results of the 7780
sweepstakes entries. 7781

- (c) The device utilizes software such that the simulated game influences or determines the winning of or value of the prize. 7782
7783
- (d) The device selects prizes from a predetermined finite pool of entries. 7784
7785
- (e) The device utilizes a mechanism that reveals the content of a predetermined sweepstakes entry. 7786
7787
- (f) The device predetermines the prize results and stores those results for delivery at the time the sweepstakes entry results are revealed. 7788
7789
7790
- (g) The device utilizes software to create a game result. 7791
- (h) The device requires deposit of any money, coin, or token, or the use of any credit card, debit card, prepaid card, or any other method of payment to activate the electronic machine or device. 7792
7793
7794
7795
- (i) The device requires direct payment into the device, or remote activation of the device. 7796
7797
- (j) The device reveals the prize incrementally, even though the device does not influence the awarding of a prize or the value of any prize awarded. 7798
7799
7800
- (k) The device determines and associates the prize with an entry or entries at the time the sweepstakes is entered. 7801
7802
- (l) The device is a slot machine or other form of electrical, mechanical, or computer game. 7803
7804
- (3) "Enter" means the purchase of a tangible product by which a person becomes eligible to receive any prize offered in a sweepstakes. 7805
7806
7807
- (4) "Entry" means one event from the initial activation of the sweepstakes terminal device until all sweepstakes prize results from that activation are revealed. 7808
7809
7810

(5) "Prize" means any gift, award, gratuity, good, service, credit, reward, or any other thing of value that may be transferred to a person, whether possession of the prize is actually transferred, or placed on an account or other record as evidence of the intent to transfer the prize.

(B) On and after the effective date of this section, and through June 30, 2013, no person shall conduct a sweepstakes through the use of a sweepstakes terminal device that has not conducted such a sweepstakes before the effective date of this section. All sweepstakes establishments conducting a sweepstakes through the use of a sweepstakes terminal device, whether or not licensed by a local entity, in existence and operating before the effective date of this section may continue to operate at only their current locations after the effective date of this section. Upon the expiration of any current occupancy permit, permission to operate, or other permit or license issued by a local entity for a sweepstakes establishment that was in existence before the effective date of this section, the local entity shall renew the occupancy permits or licenses or grant permission at those pre-existing locations in accordance with that local entity's current permit or licensing ordinances or procedures. This division is not intended to supersede any similar action taken by a county, township, or municipal corporation.

(C) The General Assembly finds the following:

(1) The state has experienced a proliferation of retail businesses that utilize a sweepstakes to facilitate sales. These establishments utilize computer terminals or stand alone machines, which currently are not consistently and uniformly regulated statewide and have created a window of opportunity for rogue operators to open in cities across the state.

(2) Judges across the state have issued conflicting rulings regarding the legality of these sweepstakes establishments.

(3) The General Assembly has determined that a moratorium on new retail sweepstakes establishments is needed while legislation is being considered.

Within thirty days after the effective date of this section, a sweepstakes establishment conducting a sweepstakes through the use of a sweepstakes terminal device in existence and operating before the effective date of this section shall file an affidavit with the Attorney General certifying that the establishment was in existence and operating before the effective date of this section and indicating the address of the establishment.

If a sweepstakes establishment was in existence and operating before the effective date of this section, but was involuntarily shut down by law enforcement before that date, solely for the purposes of this moratorium those sweepstakes establishments shall be considered to be in existence and operating before the effective date of this section. If the sweepstakes establishment is permitted to resume operations pursuant to court order, the sweepstakes establishment shall have thirty days from the date of resuming operations to file the required affidavit.

On and after the effective date of this section, and through June 30, 2013, the Attorney General or the appropriate county prosecuting attorney may bring an action for injunction against a person that conducts a sweepstakes through the use of a sweepstakes terminal device that has not conducted such a sweepstakes before the effective date of this section. If such a person continues to conduct such a sweepstakes after an injunction is granted, a contempt action may be brought by any means necessary.

Section 11. By December 31, 2013, the Attorney General shall submit to the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives a

report on the Attorney General's recommendations on how to best 7874
use resources and moneys that are distributed to the Ohio Law 7875
Enforcement Training Fund from the gross casino revenue tax 7876
pursuant to Section 6(C)(3) of Article XV, Ohio Constitution. The 7877
report shall include a provision on sharing a portion of such 7878
resources and moneys with local law enforcement agencies. 7879

Section 12. (A) Within one year of the effective date of this 7880
section, the Department of Job and Family Services shall negotiate 7881
with the casino operators and video lottery sales agents and shall 7882
issue a report to the President and Minority Leader of the Senate 7883
and the Speaker and Minority Leader of the House of 7884
Representatives and the Permanent Joint Committee on Gaming and 7885
Wagering that makes recommendations on the processes and 7886
procedures necessary to allow the state to establish a data match 7887
and prize and winnings intercept program to identify obligors who 7888
are subject to a final and enforceable determination of default 7889
made under sections 3123.01 to 3123.07 of the Revised Code. Such a 7890
program shall require casino operators and video lottery sales 7891
agents to withhold an amount sufficient to satisfy any past due 7892
support owed by an obligor from a lottery prize award or from 7893
casino winnings owed to an obligor identified in the data match, 7894
up to the amount of the award. The report shall include 7895
recommendations on taking steps necessary to limit access to an 7896
obligor's personal information viewed by employees of the casino 7897
operator or video lottery sales agent when determining a data 7898
match. 7899

(B) As used in this section: 7900

(1) "Casino operator" has the same meaning as in section 7901
3772.01 of the Revised Code. 7902

(2) "Video lottery sales agent" means a person who is a 7903

permit holder and holds a current license issued by the State 7904
Lottery Commission to assist the Commission in conducting video 7905
lotteries through the use of video lottery terminals at a track. 7906

Section 13. The items of law contained in this act, and their 7907
applications, are severable. If any item of law contained in this 7908
act, or if any application of any item of law contained in this 7909
act, is held invalid, the invalidity does not affect other items 7910
of law contained in this act and their applications that can be 7911
given effect without the invalid item of law or application. 7912

Section 14. Section 5747.08 of the Revised Code is presented 7913
in this act as a composite of the section as amended by both Sub. 7914
S.B. 155 and Am. Sub. S.B. 194 of the 128th General Assembly. The 7915
General Assembly, applying the principle stated in division (B) of 7916
section 1.52 of the Revised Code that amendments are to be 7917
harmonized if reasonably capable of simultaneous operation, finds 7918
that the composite is the resulting version of the section in 7919
effect prior to the effective date of the section as presented in 7920
this act. 7921

Section 15. This act is an emergency measure necessary for 7922
the immediate preservation of the public peace, health, and 7923
safety. The reason for such necessity is the importance of not 7924
delaying licensing procedures and money distribution. Therefore, 7925
this act goes into immediate effect. 7926