

As Introduced

**134th General Assembly
Regular Session
2021-2022**

S. B. No. 269

Senator Manning

A BILL

To amend section 3770.03 of the Revised Code to 1
clarify that the State Lottery Commission has 2
the authority to operate certain internet 3
lottery games and to prohibit the Commission 4
from conducting internet lottery game versions 5
of certain number match lottery games. 6

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

Section 1. That section 3770.03 of the Revised Code be 7
amended to read as follows: 8

Sec. 3770.03. (A) The state lottery commission shall 9
promulgate rules under which a statewide lottery may be 10
conducted, which includes, and since the original enactment of 11
this section has included, the authority for the commission to 12
operate video lottery terminal games and internet lottery games, 13
which are not video lottery terminal games. Any reference in 14
this chapter to tickets shall not be construed ~~to~~ in any way to 15
limit the authority of the commission to operate video lottery 16
terminal games and internet lottery games. Nothing in this 17
chapter shall restrict the authority of the commission to 18
promulgate rules related to the operation of games utilizing 19

video lottery terminals as described in this section ~~3770.21 of~~ 20
~~the Revised Code~~. The rules shall be promulgated pursuant to 21
Chapter 119. of the Revised Code, except that instant game rules 22
shall be promulgated pursuant to section 111.15 of the Revised 23
Code but are not subject to division (D) of that section. 24
Subjects covered in these rules shall include, but need not be 25
limited to, the following: 26

(1) The type of lottery to be conducted; 27

(2) The prices of tickets in the lottery; 28

(3) The number, nature, and value of prize awards, the 29
manner and frequency of prize drawings, and the manner in which 30
prizes shall be awarded to holders of winning tickets. 31

(B) The commission shall promulgate rules, in addition to 32
those described in division (A) of this section, pursuant to 33
Chapter 119. of the Revised Code under which a statewide lottery 34
and statewide joint lottery games may be conducted. Subjects 35
covered in these rules shall include, but not be limited to, the 36
following: 37

(1) The locations at which lottery tickets may be sold and 38
the manner in which they are to be sold. These rules may 39
authorize the sale of lottery tickets by commission personnel or 40
other licensed individuals from traveling show wagons at the 41
state fair, and at any other expositions the director of the 42
commission considers acceptable. These rules shall prohibit 43
commission personnel or other licensed individuals from 44
soliciting from an exposition the right to sell lottery tickets 45
at that exposition, but shall allow commission personnel or 46
other licensed individuals to sell lottery tickets at an 47
exposition if the exposition requests commission personnel or 48

licensed individuals to do so. These rules may also address the 49
accessibility of sales agent locations to commission products in 50
accordance with the "Americans with Disabilities Act of 1990," 51
104 Stat. 327, 42 U.S.C.A. 12101 et seq. 52

(2) The manner in which lottery sales revenues are to be 53
collected, including authorization for the director to impose 54
penalties for failure by lottery sales agents to transfer 55
revenues to the commission in a timely manner; 56

(3) The amount of compensation to be paid to licensed 57
lottery sales agents; 58

(4) The substantive criteria for the licensing of lottery 59
sales agents consistent with section 3770.05 of the Revised 60
Code, and procedures for revoking or suspending their licenses 61
consistent with Chapter 119. of the Revised Code. If 62
circumstances, such as the nonpayment of funds owed by a lottery 63
sales agent, or other circumstances related to the public 64
safety, convenience, or trust, require immediate action, the 65
director may suspend a license without affording an opportunity 66
for a prior hearing under section 119.07 of the Revised Code. 67

(5) Special game rules to implement any agreements signed 68
by the governor that the director enters into with other lottery 69
jurisdictions under division (J) of section 3770.02 of the 70
Revised Code to conduct statewide joint lottery games. The rules 71
shall require that the entire net proceeds of those games that 72
remain, after associated operating expenses, prize 73
disbursements, lottery sales agent bonuses, commissions, and 74
reimbursements, and any other expenses necessary to comply with 75
the agreements or the rules are deducted from the gross proceeds 76
of those games, be transferred to the lottery profits education 77
fund under division (B) of section 3770.06 of the Revised Code. 78

(6) Any other subjects the commission determines are necessary for the operation of video lottery terminal games, including the establishment of any fees, fines, payment schedules, or the establishment of a voluntary exclusion program.

(C) Chapter 2915. of the Revised Code does not apply to, affect, or prohibit lotteries conducted pursuant to this chapter.

(D) The commission may promulgate rules, in addition to those described in divisions (A) and (B) of this section, that establish standards governing the display of advertising and celebrity images on lottery tickets and on other items that are used in the conduct of, or to promote, the statewide lottery and statewide joint lottery games. Any revenue derived from the sale of advertising displayed on lottery tickets and on those other items shall be considered, for purposes of section 3770.06 of the Revised Code, to be related proceeds in connection with the statewide lottery or gross proceeds from statewide joint lottery games, as applicable.

(E) (1) The commission shall meet with the director at least once each month and shall convene other meetings at the request of the chairperson or any five of the members. No action taken by the commission shall be binding unless at least five of the members present vote in favor of the action. A written record shall be made of the proceedings of each meeting and shall be transmitted forthwith to the governor, the president of the senate, the senate minority leader, the speaker of the house of representatives, and the house minority leader.

(2) The director shall present to the commission a report each month, showing the total revenues, prize disbursements, and

operating expenses of the state lottery for the preceding month. 109
As soon as practicable after the end of each fiscal year, the 110
commission shall prepare and transmit to the governor and the 111
general assembly a report of lottery revenues, prize 112
disbursements, and operating expenses for the preceding fiscal 113
year and any recommendations for legislation considered 114
necessary by the commission. 115

(F) Notwithstanding divisions (A), (B), and (D) of this 116
section, the commission shall not promulgate rules to conduct 117
internet lottery games that include number match lottery games, 118
such as the number match lottery games described in any of the 119
following: 120

(1) Rule 3770:1-7-20 ("Pick 3") of the Administrative 121
Code; 122

(2) Rule 3770:1-7-25 ("Pick 4") of the Administrative 123
Code; 124

(3) Rule 3770:1-7-101 ("Pick 5") of the Administrative 125
Code; 126

(4) Rule 3770:1-9-23 ("Rolling Cash Five") of the 127
Administrative Code; 128

(5) Rule 3770:1-9-53 ("Classic Lotto") of the 129
Administrative Code; 130

(6) Rule 3770:1-9-954 ("Lucky for Life") of the 131
Administrative Code. 132

Section 2. That existing section 3770.03 of the Revised 133
Code is hereby repealed. 134