

I\_136\_1527-4

136th General Assembly  
Regular Session  
2025-2026

. B. No.

---

To enact sections 1716.30, 1716.301, 1716.302,  
1716.303, 1716.304, 1716.305, 1716.306,  
1716.307, 1716.308, and 1716.309 of the Revised  
Code to prohibit the use of funds collected  
through crowdfunding for fraudulent or  
misleading purposes and to require crowdfunding  
platforms to register with the Attorney General.

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

**Section 1.** That sections 1716.30, 1716.301, 1716.302,  
1716.303, 1716.304, 1716.305, 1716.306, 1716.307, 1716.308, and  
1716.309 of the Revised Code be enacted to read as follows:

Sec. 1716.30. As used in sections 1716.30 to 1716.309 of  
the Revised Code:

(A) "Crowdfunding" means the practice of obtaining funding  
by soliciting and receiving donated funds or virtual currency  
from individuals, organizations, or companies for a  
noncommercial purpose described in the solicitation.

"Crowdfunding" does not include any of the following:

(1) The practice of obtaining funding by soliciting funds



ihpb5gky8zo2vyngtgn6cb

in exchange for a stake, share, or partial ownership in any 19  
company, organization, real or personal property, or other 20  
financial asset; 21

(2) The practice of obtaining funding by soliciting funds 22  
in exchange for participation in any transaction conducted under 23  
Chapter 1308., 1309., or 1321. of the Revised Code; 24

(3) The practice of obtaining funding by soliciting funds 25  
to develop a product or service, or in exchange for future 26  
delivery of, or access to, that product or service; 27

(4) The practice of soliciting or obtaining funds for the 28  
benefit of a political campaign, political candidate, or 29  
political action committee; 30

(5) The practice of soliciting or obtaining funds for the 31  
benefit of a charitable organization or charitable purpose. 32

(B) "Crowdfunding organizer" means any individual or 33  
entity that conducts a crowdfunding solicitation. 34

(C) "Crowdfunding platform" means any publicly available 35  
web site, software application, or online service specifically 36  
designed or offered for use by a crowdfunding organizer to 37  
solicit or receive donated funds. 38

**Sec. 1716.301.** Every crowdfunding platform shall include 39  
in its terms of service a prohibition against crowdfunding 40  
organizers using funds raised via crowdfunding for either of the 41  
following: 42

(A) Promoting or supporting acts of violent crime; 43

(B) An unlawful purpose. 44

**Sec. 1716.302.** (A) A crowdfunding platform shall terminate 45

a campaign for a violation under section 1716.301 of the Revised Code. 46  
47

(B) If a crowdfunding platform terminates a campaign for a violation of section 1716.301 of the Revised Code, the crowdfunding organizer or beneficiary, as applicable, shall return any withdrawn funds to the payment service provider. 48  
49  
50  
51

(C) A crowdfunding platform shall use commercially reasonable efforts to facilitate the refund of the funds as described in division (B) of this section, including by providing operational support to the crowdfunding organizer or beneficiary to refund such funds to donors in amounts equal to the donors' respective donations. 52  
53  
54  
55  
56  
57

**Sec. 1716.303.** Crowdfunding platforms shall keep complete and accurate records of all facts and circumstances surrounding the fundraising and disposition of those funds and virtual currency for at least three years. 58  
59  
60  
61

**Sec. 1716.304.** On or before the thirty-first day of January each year and beginning in the second calendar year following the effective date of this section, every crowdfunding platform operating in this state shall submit to the charitable law section of the office of the attorney general a report that contains all of the following information with respect to the prior calendar year: 62  
63  
64  
65  
66  
67  
68

(A) The number of crowdfunding campaigns that were created by an individual in this state and that raised over ten thousand dollars through the platform; 69  
70  
71

(B) The total dollar amount donated for all such crowdfunding campaigns; 72  
73

(C) The total dollar amount withdrawn for use by all 74

<u>crowdfunding campaigns;</u>	75
<u>(D) The number of crowdfunding campaigns terminated by the</u>	76
<u>crowdfunding platform for noncompliance with the requirements of</u>	77
<u>section 1716.301 of the Revised Code;</u>	78
<u>(E) The reason for which each crowdfunding campaign was</u>	79
<u>terminated by the crowdfunding platform;</u>	80
<u>(F) The total dollar amount refunded to donors for</u>	81
<u>terminated crowdfunding campaigns.</u>	82
<b>Sec. 1716.305.</b> <u>(A) No crowdfunding platform shall engage</u>	83
<u>in any crowdfunding unless it has complied with the requirements</u>	84
<u>of sections 1716.30 to 1716.309 of the Revised Code and any</u>	85
<u>rules adopted in accordance with those sections.</u>	86
<u>(B) (1) Every crowdfunding platform, before facilitating</u>	87
<u>any crowdfunding on and after the effective date of this</u>	88
<u>section, shall register with the attorney general.</u>	89
<u>(2) Applications for registration or renewal of</u>	90
<u>registration shall be in writing, under oath, and in the form</u>	91
<u>prescribed by the attorney general.</u>	92
<u>(3) (a) Each application shall be accompanied by a fee in</u>	93
<u>the amount of five thousand dollars.</u>	94
<u>(b) (i) Any corporation, partnership, association, or other</u>	95
<u>entity that intends to act as a crowdfunding platform may</u>	96
<u>register for and pay a single fee of five thousand dollars on</u>	97
<u>behalf of all its members, officers, employees, and agents.</u>	98
<u>(ii) In that case, except as provided in section 1716.306</u>	99
<u>of the Revised Code, the names and addresses of all the</u>	100
<u>corporate officers of the crowdfunding platform shall be listed</u>	101
<u>in the application or furnished to the attorney general.</u>	102

(4) The application shall contain any other information 103  
that the attorney general may require. 104

(C) The registration shall be for a period of one year or 105  
part of one year and expires on the thirty-first day of March 106  
each year. Upon application and payment of the fee specified in 107  
this section, the registration may be renewed for additional 108  
one-year periods. 109

(D) All fees prescribed in this section shall be paid into 110  
the state treasury to the credit of the charitable law fund 111  
established under section 109.32 of the Revised Code. 112

**Sec. 1716.306.** The attorney general may exchange any 113  
information with respect to crowdfunding organizers or 114  
crowdfunding platforms with the appropriate authority of any 115  
other state or of the United States. The attorney general may 116  
accept any information filed by a crowdfunding platform with the 117  
appropriate authority of another state or of the United States 118  
in lieu of the information that the crowdfunding platform is 119  
required to file pursuant to sections 1716.30 to 1716.309 of the 120  
Revised Code if the information substantially meets all of the 121  
requirements of sections 1716.30 to 1716.309 of the Revised 122  
Code. 123

**Sec. 1716.307.** The attorney general may adopt such 124  
reasonable rules pursuant to Chapter 119. of the Revised Code as 125  
may be necessary to implement sections 1716.30 to 1716.309 of 126  
the Revised Code. 127

**Sec. 1716.308.** (A) If, by the attorney general's own 128  
inquiries or as a result of complaints, the attorney general has 129  
reasonable cause to believe that a crowdfunding platform has 130  
violated section 1716.301 of the Revised Code or has failed to 131

comply with section 1716.302 or 1716.305 of the Revised Code, 132  
the attorney general may investigate. 133

(B) In any investigation conducted pursuant to this 134  
section, the attorney general may administer oaths, subpoena 135  
witnesses, adduce evidence, and subpoena the production of any 136  
book, document, record, or other relevant matter. 137

(C) If the attorney general under division (B) of this 138  
section subpoenas the production of any relevant matter that is 139  
located outside this state, the attorney general may designate a 140  
representative, including an official of the state in which that 141  
relevant matter is located, to inspect the relevant matter on 142  
the attorney general's behalf. The attorney general may carry 143  
out similar requests received from officials of other states. 144

(D) Any person who is subpoenaed to produce relevant 145  
matter pursuant to division (B) of this section shall make that 146  
relevant matter available at a convenient location within this 147  
state or the state of the representative designated under 148  
division (C) of this section. 149

(E) Any person who is subpoenaed as a witness or to 150  
produce relevant matter pursuant to division (B) of this section 151  
may file in the court of common pleas of Franklin county, the 152  
county in this state in which the person resides, or the county 153  
in this state in which the person's principal place of business 154  
is located a petition to extend for good cause shown the date on 155  
which the subpoena is to be returned or to modify or quash for 156  
good cause shown that subpoena. The person may file the petition 157  
at any time prior to the date specified for the return of the 158  
subpoena or within twenty days after the service of the 159  
subpoena, whichever is earlier. 160

(F) Any person who is subpoenaed as a witness or to 161  
produce relevant matter pursuant to division (B) of this section 162  
shall comply with the terms of the subpoena unless the court 163  
orders otherwise prior to the date specified for the return of 164  
the subpoena or, if applicable, that date as extended. If a 165  
person fails without lawful excuse to obey a subpoena, the 166  
attorney general may apply to the court of common pleas for an 167  
order that does one or more of the following: 168

(1) Compels the requested discovery; 169

(2) Adjudges the person in contempt of court; 170

(3) Grants injunctive relief to restrain the person from 171  
failing to comply with section 1716.301 of the Revised Code; 172

(4) Grants other relief that may be required until the 173  
person obeys the subpoena. 174

**Sec. 1716.309.** (A) The attorney general shall impose on a 175  
crowdfunding platform an administrative penalty of ten thousand 176  
dollars for each time the platform violates section 1716.301 of 177  
the Revised Code. 178

(B) The attorney general may bring a civil action in a 179  
court of common pleas for appropriate relief under this section, 180  
including a temporary restraining order and preliminary or 181  
permanent injunction, for violations of section 1716.301 of the 182  
Revised Code. If a crowdfunding platform has violated that 183  
section more than once in a two-year period, the attorney 184  
general may seek a civil penalty of ten thousand dollars per 185  
violation in addition to the administrative penalties imposed by 186  
division (A) of this section. 187

(C) The attorney general may bring a civil action in a 188  
court of common pleas for appropriate relief under this section, 189

including a temporary restraining order, preliminary or 190  
permanent injunction, and a civil penalty of up to ten thousand 191  
dollars for failure to comply with section 1716.305 of the 192  
Revised Code. 193

(D) Any penalty collected that was imposed under this 194  
section shall be paid into the state treasury to the credit of 195  
the charitable law fund established under section 109.32 of the 196  
Revised Code. 197