As Introduced

136th General Assembly
Regular Session **H. B. No. 887**
2025-2026

Representative Brennan
Cosponsors: Representatives Synenberg, McNally, White, E.

To amend sections 102.01, 102.06, and 102.99 and to enact section 102.032 of the Revised Code to prohibit public officials and employees from using prediction markets.

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

Section 1. That sections 102.01, 102.06, and 102.99 be amended and section 102.032 of the Revised Code be enacted to read as follows:

Sec. 102.01. As used in this chapter:

(A) "Compensation" means money, thing of value, or financial benefit. "Compensation" does not include reimbursement for actual and necessary expenses incurred in the performance of official duties.

(B) "Public official or employee" means any person who is elected or appointed to an office or is an employee of any public agency. "Public official or employee" does not include any of the following:

(1) A person elected or appointed to the office of precinct, ward, or district committee member under section 3517.03 of the Revised Code, any presidential elector, or any

delegate to a national convention;

(2) A person who is a teacher, instructor, professor, or other kind of educator whose position does not involve the performance of, or authority to perform, administrative or supervisory functions;

(3) An officer, member, or director of an existing qualified nonprofit corporation that creates a special improvement district under Chapter 1710. of the Revised Code, or such a person's designee or proxy, when the person is not acting in that role with respect to a purpose for which the district is created.

(C)(1) "Public agency" means the general assembly, all courts, any department, division, institution, board, commission, authority, bureau or other instrumentality of the state, a county, city, village, or township, the five state retirement systems, or any other governmental entity.

(2) Notwithstanding any contrary provision of division (C)(3)(a) of this section, "public agency" includes a regional council of governments established under Chapter 167. of the Revised Code.

(3) "Public agency" does not include any of the following:

(a) A department, division, institution, board, commission, authority, or other instrumentality of the state or a county, municipal corporation, township, or other governmental entity that functions exclusively for cultural, educational, historical, humanitarian, advisory, or research purposes; that does not expend more than ten thousand dollars per calendar year, excluding salaries and wages of employees; and whose members are uncompensated;

(b) The nonprofit corporation formed under section 187.01 of the Revised Code;

(c) An existing qualified nonprofit corporation that creates a special improvement district under Chapter 1710. of the Revised Code, when the corporation is not acting with respect to a purpose for which the district is created.

(D) "Immediate family" means a spouse residing in the person's household and any dependent child.

(E) "Income" includes gross income as defined and used in the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended, interest and dividends on obligations or securities of any state or of any political subdivision or authority of any state or political subdivision, and interest or dividends on obligations of any authority, commission, or instrumentality of the United States.

(F) Except as otherwise provided in division (A) of section 102.08 of the Revised Code, "appropriate ethics commission" means:

(1) For matters relating to members of the general assembly, employees of the general assembly, employees of the legislative service commission, and candidates for the office of member of the general assembly, the joint legislative ethics committee;

(2) For matters relating to judicial officers and employees, and candidates for judicial office, the board of commissioners on grievances and discipline of the supreme court;

(3) For matters relating to all other persons, the Ohio ethics commission.

(G) "Anything of value" has the same meaning as provided in section 1.03 of the Revised Code and includes, but is not limited to, a contribution as defined in section 3517.01 of the Revised Code.

(H) "Honorarium" means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or similar gathering. "Honorarium" does not include ceremonial gifts or awards that have insignificant monetary value; unsolicited gifts of nominal value or trivial items of informational value; or earned income from any person, other than a legislative agent, for personal services that are customarily provided in connection with the practice of a bona fide business, if that business initially began before the public official or employee conducting that business was elected or appointed to the public official's or employee's office or position of employment.

(I) "Employer" means any person who, directly or indirectly, engages an executive agency lobbyist or legislative agent.

(J) "Executive agency decision," "executive agency lobbyist," and "executive agency lobbying activity" have the same meanings as in section 121.60 of the Revised Code.

(K) "Legislation," "legislative agent," "financial transaction," and "actively advocate" have the same meanings as in section 101.70 of the Revised Code.

(L) "Expenditure" has the same meaning as in section 101.70 of the Revised Code when used in relation to activities of a legislative agent, and the same meaning as in section

121.60 of the Revised Code when used in relation to activities of an executive agency lobbyist.

(M) "Event contract" means an instrument that provides for payment based on the occurrence, the nonoccurrence, or the extent of the occurrence of an event or contingency.

(N)(1) "Prediction market" means a system that allows a person to acquire, sell, or trade event contracts.

(2) "Prediction market" does not include a system that includes only sports gaming operated under a valid license in accordance with Chapter 3775. of the Revised Code.

Sec. 102.032. (A) No public official or employee shall knowingly do any of the following:

(1) Maintain an account on a prediction market;

(2) Participate, directly or indirectly, in the acquisition, sale, or trading of event contracts;

(3) Facilitate or assist another person in the acquisition, sale, or trading of event contracts;

(4) Disclose any confidential information in violation of division (B) of section 102.03 of the Revised Code to any person for the purpose of informing the person's decision to create, acquire, sell, or trade an event contract.

(B)(1) No public official or employee described in division (B)(2) of this section shall knowingly do either of the following:

(a) Have a direct or indirect financial interest in a person that operates a prediction market;

(b) Receive anything of value as compensation, directly or

indirectly, from a person that operates a prediction market.

(2) Division (B)(1) of this section applies to a public official or employee who is any of the following:

(a) The governor, the lieutenant governor, the secretary of state, the auditor of state, the treasurer of state, or the attorney general or an employee of any of those officers;

(b) A member or employee of the general assembly or a legislative agency;

(c) A justice or employee of the supreme court;

(d) An officer or employee of the department of commerce, the department of insurance, or the department of administrative services;

(e) A member or employee of the Ohio casino control commission, the state lottery commission, or the state racing commission;

(f) A member or employee of the Ohio ethics commission;

(g) The inspector general or an employee of the inspector general.

(C) Divisions (A) and (B) of this section do not prohibit a public official or employee from doing either of the following:

(1) Investing in a person that operates a prediction market through a mutual fund, blind trust, or other similar means in which the public official or employee has no control of the investments or investment decisions;

(2) Participating in educational or research activities that do not involve the potential for personal financial gain.

Sec. 102.06. (A) The appropriate ethics commission shall receive and may initiate complaints against persons subject to this chapter concerning conduct alleged to be in violation of this chapter or section 2921.42 or 2921.43 of the Revised Code. All complaints except those by the commission shall be by affidavit made on personal knowledge, subject to the penalties of perjury. Complaints by the commission shall be by affidavit, based upon reasonable cause to believe that a violation has occurred.

(B) The appropriate ethics commission shall investigate complaints, may investigate charges presented to it, and may request further information, including the specific amount of income from a source, from any person filing with the commission a statement required by section 102.02 or 102.021 of the Revised Code, if the information sought is directly relevant to a complaint or charges received by the commission pursuant to this section. This information is confidential, except that the commission, in its discretion, may share information gathered in the course of any investigation with, or disclose the information to, the inspector general, any appropriate prosecuting authority, any law enforcement agency, or any other appropriate ethics commission. If the accused person is a member of the public employees retirement board, state teachers retirement board, school employees retirement board, board of trustees of the Ohio police and fire pension fund, or state highway patrol retirement board, or is a member of the bureau of workers' compensation board of directors, the appropriate ethics commission, in its discretion, also may share information gathered in the course of an investigation with, or disclose the information to, the attorney general and the auditor of state. The person so requested shall furnish the information to the

commission, unless within fifteen days from the date of the request the person files an action for declaratory judgment challenging the legitimacy of the request in the court of common pleas of the county of the person's residence, the person's place of employment, or Franklin county. The requested information need not be furnished to the commission during the pendency of the judicial proceedings. Proceedings of the commission in connection with the declaratory judgment action shall be kept confidential except as otherwise provided by this section. Before the commission proceeds to take any formal action against a person who is the subject of an investigation based on charges presented to the commission, a complaint shall be filed against the person. If the commission finds that a complaint is not frivolous, and there is reasonable cause to believe that the facts alleged in a complaint constitute a violation of section 102.02, 102.021, 102.03, 102.032, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code, it shall hold a hearing. If the commission does not so find, it shall dismiss the complaint and notify the accused person in writing of the dismissal of the complaint. The commission shall not make a report of its finding unless the accused person requests a report. Upon the request of the accused person, the commission shall make a public report of its finding. The person against whom the complaint is directed shall be given reasonable notice by certified mail of the date, time, and place of the hearing and a statement of the charges and the law directly involved and shall be given the opportunity to be represented by counsel, to have counsel appointed for the person if the person is unable to afford counsel without undue hardship, to examine the evidence against the person, to produce evidence and to call and subpoena witnesses in the person's defense, to confront the person's accusers, and to cross-examine witnesses. The commission shall

have a stenographic record made of the hearing. The hearing shall be closed to the public.

(C)(1)(a) If, upon the basis of the hearing, the appropriate ethics commission finds by a preponderance of the evidence that the facts alleged in the complaint are true and constitute a violation of section 102.02, 102.021, 102.03, 102.032, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code, it shall report its findings to the appropriate prosecuting authority for proceedings in prosecution of the violation and to the appointing or employing authority of the accused. If the accused person is a member of the public employees retirement board, state teachers retirement board, school employees retirement board, board of trustees of the Ohio police and fire pension fund, or state highway patrol retirement board, the commission also shall report its findings to the Ohio retirement study council.

(b) If the Ohio ethics commission reports its findings to the appropriate prosecuting authority under division (C)(1)(a) of this section and the prosecuting authority has not initiated any official action on those findings within ninety days after receiving the commission's report of them, the commission may publicly comment that no official action has been taken on its findings, except that the commission shall make no comment in violation of the Rules of Criminal Procedure or about any indictment that has been sealed pursuant to any law or those rules. The commission shall make no comment regarding the merits of its findings. As used in division (C)(1)(b) of this section, "official action" means prosecution, closure after investigation, or grand jury action resulting in a true bill of indictment or no true bill of indictment.

(2) If the appropriate ethics commission does not find by a preponderance of the evidence that the facts alleged in the complaint are true and constitute a violation of section 102.02, 102.021, 102.03, 102.032, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code or if the commission has not scheduled a hearing within ninety days after the complaint is filed or has not finally disposed of the complaint within six months after it has been heard, it shall dismiss the complaint and notify the accused person in writing of the dismissal of the complaint. The commission shall not make a report of its finding unless the accused person requests a report. Upon the request of the accused person, the commission shall make a public report of the finding, but in this case all evidence and the record of the hearing shall remain confidential unless the accused person also requests that the evidence and record be made public. Upon request by the accused person, the commission shall make the evidence and the record available for public inspection.

(D) The appropriate ethics commission, or a member of the commission, may administer oaths, and the commission may issue subpoenas to any person in the state compelling the attendance of witnesses and the production of relevant papers, books, accounts, and records. The commission shall issue subpoenas to compel the attendance of witnesses and the production of documents upon the request of an accused person. Section 101.42 of the Revised Code shall govern the issuance of these subpoenas insofar as applicable. Upon the refusal of any person to obey a subpoena or to be sworn or to answer as a witness, the commission may apply to the court of common pleas of Franklin county under section 2705.03 of the Revised Code. The court shall hold proceedings in accordance with Chapter 2705. of the Revised Code. The commission or the accused person may take the

depositions of witnesses residing within or without the state in the same manner as prescribed by law for the taking of depositions in civil actions in the court of common pleas.

(E) At least once each year, the Ohio ethics commission shall report on its activities of the immediately preceding year to the majority and minority leaders of the senate and house of representatives of the general assembly. The report shall indicate the total number of complaints received, initiated, and investigated by the commission, the total number of complaints for which formal hearings were held, and the total number of complaints for which formal prosecution was recommended or requested by the commission. The report also shall indicate the nature of the inappropriate conduct alleged in each complaint and the governmental entity with which any employee or official that is the subject of a complaint was employed at the time of the alleged inappropriate conduct.

(F) All papers, records, affidavits, and documents upon any complaint, inquiry, or investigation relating to the proceedings of the appropriate ethics commission shall be sealed and are private and confidential, except as otherwise provided in this section and section 102.07 of the Revised Code.

(G)(1) When a complaint or charge is before it, the Ohio ethics commission or the appropriate prosecuting authority, in consultation with the person filing the complaint or charge, the accused, and any other person the commission or prosecuting authority considers necessary, may compromise or settle the complaint or charge with the agreement of the accused. The compromise or settlement may include mediation, restitution, rescission of affected contracts, forfeiture of any benefits resulting from a violation or potential violation of law,

resignation of a public official or employee, or any other relief that is agreed upon between the commission or prosecuting authority and the accused.

(2) Any settlement agreement entered into under division (G)(1) of this section shall be in writing and be accompanied by a statement of the findings of the commission or prosecuting authority and the reasons for entering into the agreement. The commission or prosecuting authority shall retain the agreement and statement in the commission's or prosecuting authority's office and, in the commission's or prosecuting authority's discretion, may make the agreement, the statement, and any supporting information public, unless the agreement provides otherwise.

(3) If a settlement agreement is breached by the accused, the commission or prosecuting authority, in the commission's or prosecuting authority's discretion, may rescind the agreement and reinstitute any investigation, hearing, or prosecution of the accused. No information obtained from the accused in reaching the settlement that is not otherwise discoverable from the accused shall be used in any proceeding before the commission or by the appropriate prosecuting authority in prosecuting the violation. Notwithstanding any other section of the Revised Code, if a settlement agreement is breached, any statute of limitations for a violation of this chapter or section 2921.42 or 2921.43 of the Revised Code is tolled from the date the complaint or charge is filed until the date the settlement agreement is breached.

Sec. 102.99. (A) Whoever violates division (C) of section 102.02 or division (C) of section 102.031 of the Revised Code is guilty of a misdemeanor of the fourth degree.

(B) Whoever violates division (D) of section 102.02 or section 102.021, 102.03, 102.032, 102.04, or 102.07 of the Revised Code is guilty of a misdemeanor of the first degree.

(C) In addition to the penalty provided in division (B) of this section, whoever violates division (M)(1), (2), or (3) of section 102.03 of the Revised Code forfeits the individual's office or employment.

(D) In addition to the penalty provided in division (B) of this section, any person who violates division (F) of section 102.03 of the Revised Code is subject to the following:

(1) The court may prohibit the person from participating in a public contract with any public agency in this state for a period of two years if recommended by the agency by whom the offending public official or employee was employed.

(2) The court may order the person to pay an additional fine equal to the amount of any thing of value given in violation of division (F) of section 102.03 of the Revised Code.

(E) In addition to the penalty provided in division (B) of this section, any person who violates section 102.032 of the Revised Code is subject to a maximum fine of ten thousand dollars per violation.

(F) Upon application of the Ohio ethics commission, the court shall order a person who is convicted of a violation of section 102.021, 102.03, 102.032, or 102.04 of the Revised Code to pay the costs incurred to investigate and prosecute the case. The amount ordered under this division shall not exceed the amount a person unlawfully secured, solicited, or accepted; the amount a person received as improper compensation, as an unlawful honorarium, or from the unlawful sale of goods or

services; the net profit a person realized from the acquisition, sale, or trading of event contracts; the value of the person's financial interest or compensation with respect to a prediction market; or the amount otherwise applicable under section 102.021, 102.03, 102.032, or 102.04 of the Revised Code. These costs are in addition to any other cost or penalty provided in the Revised Code or any other provision of law.

Section 2. That existing sections 102.01, 102.06, and 102.99 of the Revised Code are hereby repealed.

Section 3. For purposes of financial disclosure statements filed under sections 102.02 and 102.021 of the Revised Code in the calendar year following the year in which this section takes effect, the person filing the statement shall include on the statement identification of every prediction market on which the person had an account in the person's own name or in the name of any other person for the person's use or benefit at any time during the twelve months immediately preceding the effective date of this section.