As Introduced

136th General Assembly
Regular Session
2025-2026

S. B. No. 197

Senator Manning

To amend sections 109.32, 109.572, 119.12, 121.95, 131.02, 173.121, 718.031, 959.05, 1309.109, 1711.09, 1716.21, 2915.01, 2915.02, 2915.06, 2915.061, 2915.08, 2915.081, 2915.082, 2915.09, 2915.091, 2915.092, 2915.093, 2915.094, 2915.095, 2915.10, 2915.101, 2915.11, 2915.12, 2915.13, 2915.14, 2915.15, 2923.121, 2927.21, 2933.51, 3123.89, 3123.90, 3517.091, 3763.01, 3769.03, 3769.031, 3769.04, 3769.041, 3769.05, 3769.06, 3769.07, 3769.071, 3769.072, 3769.08, 3769.082, 3769.083, 3769.084, 3769.085, 3769.087, 3769.089, 3769.0810, 3769.09, 3769.091, 3769.10, 3769.101, 3769.12, 3769.13, 3769.131, 3769.14, 3769.20, 3769.201, 3769.21, 3769.22, 3769.25, 3769.26, 3769.27, 3770.02, 3770.03, 3770.05, 3770.06, 3770.07, 3770.071, 3770.072, 3770.073, 3770.08, 3770.10, 3770.13, 3770.21, 3770.24, 3770.25, 3770.99, 3772.01, 3772.02, 3772.03, 3772.031, 3772.04, 3772.062, 3772.07, 3772.09, 3772.091, 3772.10, 3772.13, 3772.131, 3772.15, 3772.16, 3772.17, 3772.18, 3772.23, 3772.31, 3772.37, 3772.99, 3774.01, 3774.02, 3774.03, 3774.04, 3774.09, 3775.01, 3775.02, 3775.03, 3775.06, 3775.09, 3775.10, 3775.11, 3775.13, 3775.99, 4301.03, 4301.58, 4303.17, 5701.11, 5747.01, 5747.02, 5747.062,

5747.063, 5747.08, 5747.12, 5747.20, 5751.01, 5753.01, 5753.021, 5753.03, 5753.031, and 5907.18; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 173.121 (3768.20), 2915.06 (3777.03), 2915.061 (3777.04), 2915.07 (3768.18), 2915.08 (3768.04), 2915.081 (3768.16), 2915.082 (3768.17), 2915.09 (3768.05), 2915.091 (3768.06), 2915.092 (3768.02), 2915.093 (3768.07), 2915.094 (3768.08), 2915.095 (3768.09), 2915.10 (3768.14), 2915.101 (3768.13), 2915.11 (3768.15), 2915.12 (3768.19), 2915.13 (3768.10), 2915.14 (3768.11), 2915.15 (3768.12), 3769.01 (3769.02), 3770.01 (3770.011), 3770.10 (3770.01), and 5907.18 (3768.21); to enact new section 3769.01 and sections 3768.01, 3768.03, 3768.22, 3768.23, 3769.081, 3769.11, 3769.99, 3770.211, 3770.212, 3770.213, 3770.214, 3770.26, 3771.01, 3771.02, 3771.03, 3771.04, 3771.05, 3771.06, 3771.07, 3771.08, 3771.09, 3771.10, 3771.11, 3771.12, 3771.13, 3771.99, 3772.113, 3772.132, 3772.221, 3772.231, 3772.28, 3772.281, 3772.311, 3772.312, 3772.313, 3772.314, 3772.315, 3772.316, 3772.317, 3772.38, 3772.39, 3772.40, 3772.41, 3772.98, 3777.01, 3777.02, 3777.05, 3777.06, 5753.022, and 5753.032; and to repeal sections 3769.02, 3769.021, 3770.23, 3772.25, 3775.16, and 5747.064 of the Revised Code to legalize internet gambling and levy a tax on businesses that provide internet gambling, to permit internet lottery gaming and online wagering on

horse racing, to make other changes to the Gambling Law, and to make an appropriation.

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

Section 1. That sections 109.32, 109.572, 119.12, 121.95, 131.02, 173.121, 718.031, 959.05, 1309.109, 1711.09, 1716.21, 2915.01, 2915.02, 2915.06, 2915.061, 2915.08, 2915.081, 2915.082, 2915.09, 2915.091, 2915.092, 2915.093, 2915.094, 2915.095, 2915.10, 2915.101, 2915.11, 2915.12, 2915.13, 2915.14, 2915.15, 2923.121, 2927.21, 2933.51, 3123.89, 3123.90, 3517.091, 3763.01, 3769.03, 3769.031, 3769.04, 3769.041, 3769.05, 3769.06, 3769.07, 3769.071, 3769.072, 3769.08, 3769.082, 3769.083, 3769.084, 3769.085, 3769.087, 3769.089, 3769.0810, 3769.09, 3769.091, 3769.10, 3769.101, 3769.12, 3769.13, 3769.131, 3769.14, 3769.20, 3769.201, 3769.21, 3769.22, 3769.25, 3769.26, 3769.27, 3770.02, 3770.03, 3770.05, 3770.06, 3770.07, 3770.071, 3770.072, 3770.073, 3770.08, 3770.10, 3770.13, 3770.21, 3770.24, 3770.25, 3770.99, 3772.01, 3772.02, 3772.03, 3772.031, 3772.04, 3772.062, 3772.07, 3772.09, 3772.091, 3772.10, 3772.13, 3772.131, 3772.15, 3772.16, 3772.17, 3772.18, 3772.23, 3772.31, 3772.37, 3772.99, 3774.01, 3774.02, 3774.03, 3774.04, 3774.09, 3775.01, 3775.02, 3775.03, 3775.06, 3775.09, 3775.10, 3775.11, 3775.13, 3775.99, 4301.03, 4301.58, 4303.17, 5701.11, 5747.01, 5747.02, 5747.062, 5747.063, 5747.08, 5747.12, 5747.20, 5751.01, 5753.01, 5753.021, 5753.03, 5753.031, and 5907.18 be amended; sections 173.121 (3768.20), 2915.06 (3777.03), 2915.061 (3777.04), 2915.07 (3768.18), 2915.08 (3768.04), 2915.081 (3768.16), 2915.082 (3768.17), 2915.09 (3768.05), 2915.091 (3768.06), 2915.092 (3768.02), 2915.093 (3768.07), 2915.094

(3768.08), 2915.095 (3768.09), 2915.10 (3768.14), 2915.101 (3768.13), 2915.11 (3768.15), 2915.12 (3768.19), 2915.13 (3768.10), 2915.14 (3768.11), 2915.15 (3768.12), 3769.01 (3769.02), 3770.01 (3770.011), 3770.10 (3770.01), and 5907.18 (3768.21) be amended for the purpose of adopting new section numbers as indicated in parentheses; and new section 3769.01 and sections 3768.01, 3768.03, 3768.22, 3768.23, 3769.081, 3769.11, 3769.99, 3770.211, 3770.212, 3770.213, 3770.214, 3770.26, 3771.01, 3771.02, 3771.03, 3771.04, 3771.05, 3771.06, 3771.07, 3771.08, 3771.09, 3771.10, 3771.11, 3771.12, 3771.13, 3771.99, 3772.113, 3772.132, 3772.221, 3772.231, 3772.28, 3772.281, 3772.311, 3772.312, 3772.313, 3772.314, 3772.315, 3772.316, 3772.317, 3772.38, 3772.39, 3772.40, 3772.41, 3772.98, 3777.01, 3777.02, 3777.05, 3777.06, 5753.022, and 5753.032 of the Revised Code be enacted to read as follows:

Sec. 109.32. (A) ~~All~~ The charitable law fund is created in state treasury. The fund consists of all of the following:

(1) All annual filing fees obtained by the attorney general pursuant to section 109.31 of the Revised Code, all receipts obtained from the sale of the charitable foundations directory, all registration fees received by the attorney general, all bond forfeitures, awards of costs and attorney's fees, and civil penalties assessed under Chapter 1716. of the Revised Code, ~~all license fees received by the attorney general under section 2915.08, 2915.081, or 2915.082 of the Revised Code, all fees received by the attorney general under section 2915.15 of the Revised Code, and all filing fees received by the attorney general under divisions (F) and (G) of section 2915.02 of the Revised Code,~~ which shall be paid into the ~~state treasury to the credit of the charitable law~~ fund;

(2) All amounts transferred to the fund from the charitable gaming fund established under section 3768.23 of the Revised Code.

~~(B)(1) Except as otherwise provided in divisions (B)(2) and (3) of this section, the~~ (B) The charitable law fund shall be used insofar as its moneys are available for the expenses of the charitable law section of the office of the attorney general.

~~(2) All annual license fees that are received by the attorney general under section 2915.08, 2915.081, or 2915.082 of the Revised Code, and all filing fees received by the attorney general under divisions (F) and (G) of section 2915.02 of the Revised Code, that are credited to the fund shall be used by the attorney general, or any law enforcement agency in cooperation with the attorney general, for the purposes specified in division (H) of section 2915.10 of the Revised Code and to administer and enforce Chapter 2915. of the Revised Code.~~

~~(3) All fees received by the attorney general under section 2915.15 of the Revised Code that are credited to the fund shall be used for the purposes specified in that section.~~

(C) The expenses of the charitable law section in excess of moneys available in the charitable law fund shall be paid out of regular appropriations to the office of the attorney general.

Sec. 109.572. (A)(1) Upon receipt of a request pursuant to section 121.08, 3301.32, 3301.541, or 3319.39 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and

investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.06, 2903.08, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.32, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2923.17, 2923.21, 2923.42, 2925.02, 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.13, 2925.22, 2925.23, 2925.24, 2925.31, 2925.32, 2925.36, 2925.37, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, or a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense;

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(1)(a) of this section;

(c) If the request is made pursuant to section 3319.39 of the Revised Code for an applicant who is a teacher, any offense specified under section 9.79 of the Revised Code or in section

3319.31 of the Revised Code.

(2) On receipt of a request pursuant to section 3712.09 or 3721.121 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check with respect to any person who has applied for employment in a position for which a criminal records check is required by those sections. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code;

(b) An existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(2)(a) of this section.

(3) On receipt of a request pursuant to section 173.27, 173.38, 173.381, 3740.11, 5119.34, 5164.34, 5164.341, 5164.342,

5123.081, or 5123.169 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check of the person for whom the request is made. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of, has pleaded guilty to, or (except in the case of a request pursuant to section 5164.34, 5164.341, or 5164.342 of the Revised Code) has been found eligible for intervention in lieu of conviction for any of the following, regardless of the date of the conviction, the date of entry of the guilty plea, or (except in the case of a request pursuant to section 5164.34, 5164.341, or 5164.342 of the Revised Code) the date the person was found eligible for intervention in lieu of conviction:

(a) A violation of section 959.13, 959.131, 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.34, 2903.341, 2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2905.32, 2905.33, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2907.33, 2909.02, 2909.03, 2909.04, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.05, 2913.11, 2913.21, 2913.31, 2913.32, 2913.40, 2913.41, 2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, 2913.49, 2913.51, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12,

2919.121, 2919.123, 2919.124, 2919.22, 2919.23, 2919.24, 2919.25, 2921.03, 2921.11, 2921.12, 2921.13, 2921.21, 2921.24, 2921.32, 2921.321, 2921.34, 2921.35, 2921.36, 2921.51, 2923.12, 2923.122, 2923.123, 2923.13, 2923.161, 2923.162, 2923.21, 2923.32, 2923.42, 2925.02, 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.09, 2925.11, 2925.13, 2925.14, 2925.22, 2925.23, 2925.24, 2925.36, 2925.55, 2925.56, 2927.12, or 3716.11 of the Revised Code;

(b) Felonious sexual penetration in violation of former section 2907.12 of the Revised Code;

(c) A violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996;

(d) A violation of section 2923.01, 2923.02, or 2923.03 of the Revised Code when the underlying offense that is the object of the conspiracy, attempt, or complicity is one of the offenses listed in divisions (A)(3)(a) to (c) of this section;

(e) A violation of an existing or former municipal ordinance or law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in divisions (A)(3)(a) to (d) of this section.

(4) On receipt of a request pursuant to section 2151.86, 2151.904, or 5103.053 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the

subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 959.13, 2151.421, 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.06, 2903.08, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.32, 2903.34, 2905.01, 2905.02, 2905.05, 2905.32, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2913.49, 2917.01, 2917.02, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2923.17, 2923.21, 2925.02, 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.13, 2925.22, 2925.23, 2925.24, 2925.31, 2925.32, 2925.36, 2925.37, 2927.12, or 3716.11 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense, two or more OVI or OVUAC violations committed within the three years immediately preceding the submission of the application or petition that is the basis of the request, or felonious sexual penetration in violation of former section 2907.12 of the Revised Code, or a violation of Chapter 2919. of the Revised Code that is a felony;

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(4)(a) of this section.

(5) Upon receipt of a request pursuant to section 5104.013 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2151.421, 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.32, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2909.04, 2909.05, 2911.01, 2911.02, 2911.11, 2911.12, 2913.02, 2913.03, 2913.04, 2913.041, 2913.05, 2913.06, 2913.11, 2913.21, 2913.31, 2913.32, 2913.33, 2913.34, 2913.40, 2913.41, 2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, 2913.49, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 2919.22, 2919.224, 2919.225, 2919.24, 2919.25, 2921.03, 2921.11, 2921.13, 2921.14, 2921.34, 2921.35, 2923.01, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, a violation of

section 2925.11 of the Revised Code that is not a minor drug possession offense, a violation of section 2923.02 or 2923.03 of the Revised Code that relates to a crime specified in this division, or a second violation of section 4511.19 of the Revised Code within five years of the date of application for licensure or certification.

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses or violations described in division (A)(5)(a) of this section.

(6) Upon receipt of a request pursuant to section 5153.111 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former

section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, or a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense;

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(6)(a) of this section.

(7) On receipt of a request for a criminal records check from an individual pursuant to section 4749.03 or 4749.06 of the Revised Code, accompanied by a completed copy of the form prescribed in division (C)(1) of this section and a set of fingerprint impressions obtained in a manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists indicating that the person who is the subject of the request has been convicted of or pleaded guilty to any criminal offense in this state or in any other state. If the individual indicates that a firearm will be carried in the course of business, the superintendent shall require information from the federal bureau of investigation as described in division (B)(2) of this section. Subject to division (F) of this section, the superintendent shall report the findings of the criminal records check and any information the federal bureau of investigation provides to the director of public safety.

(8) On receipt of a request pursuant to section 1321.37, 1321.53, or 4763.05 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check with respect to any person who has applied for a license, permit, or certification from the department of commerce or a division in the department. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any criminal offense in this state, any other state, or the United States.

(9) On receipt of a request for a criminal records check from the treasurer of state under section 113.041 of the Revised Code or from an individual under section 928.03, 4701.08, 4715.101, 4717.061, 4725.121, 4725.501, 4729.071, 4729.53, 4729.90, 4729.92, 4730.101, 4730.14, 4730.28, 4731.081, 4731.15, 4731.171, 4731.222, 4731.281, 4731.531, 4732.091, 4734.202, 4740.061, 4741.10, 4747.051, 4751.20, 4751.201, 4751.21, 4753.061, 4755.70, 4757.101, 4759.061, 4760.032, 4760.06, 4761.051, 4762.031, 4762.06, 4774.031, 4774.06, 4776.021, 4778.04, 4778.07, 4779.091, or 4783.04 of the Revised Code, accompanied by a completed form prescribed under division (C)(1) of this section and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine

whether any information exists that indicates that the person who is the subject of the request has been convicted of or pleaded guilty to any criminal offense in this state or any other state. Subject to division (F) of this section, the superintendent shall send the results of a check requested under section 113.041 of the Revised Code to the treasurer of state and shall send the results of a check requested under any of the other listed sections to the licensing board specified by the individual in the request.

(10) On receipt of a request pursuant to section 124.74, 718.131, 1121.23, 1315.141, 1733.47, or 1761.26 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any criminal offense under any existing or former law of this state, any other state, or the United States.

(11) On receipt of a request for a criminal records check from an appointing or licensing authority under section 3772.07 or 3772.132 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner prescribed in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that

indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty or no contest to any offense under any existing or former law of this state, any other state, or the United States that makes the person ineligible for appointment or retention under section 3772.07 of the Revised Code or that is a disqualifying offense as defined in that section or substantially equivalent to a disqualifying offense, as applicable.

(12) On receipt of a request pursuant to section 2151.33 or 2151.412 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check with respect to any person for whom a criminal records check is required under that section. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code;

(b) An existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(12)(a) of this section.

(13) On receipt of a request pursuant to section 3796.12 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in a manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to a disqualifying offense as specified in rules adopted under section 9.79 and division (B)(2)(b) of section 3796.03 of the Revised Code if the person who is the subject of the request is an administrator or other person responsible for the daily operation of, or an owner or prospective owner, officer or prospective officer, or board member or prospective board member of, an entity seeking a license from the department of commerce under Chapter 3796. of the Revised Code.

(14) On receipt of a request required by section 3796.13 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in a manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request

previously has been convicted of or pleaded guilty to a disqualifying offense as specified in rules adopted under division (B)(14)(a) of section 3796.03 of the Revised Code if the person who is the subject of the request is seeking employment with an entity licensed by the department of commerce under Chapter 3796. of the Revised Code.

(15) On receipt of a request pursuant to section 4768.06 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists indicating that the person who is the subject of the request has been convicted of or pleaded guilty to any criminal offense in this state or in any other state.

(16) On receipt of a request pursuant to division (B) of section 4764.07 or division (A) of section 4735.143 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists indicating that the person who is the subject of the request has been convicted of or pleaded guilty to any criminal offense in any state or the United States.

(17) On receipt of a request for a criminal records check

under section 147.022 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner prescribed in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty or no contest to any criminal offense under any existing or former law of this state, any other state, or the United States.

(18) Upon receipt of a request pursuant to division (F) of section ~~2915.081~~ 3768.16 or division (E) of section ~~2915.082~~ 3768.17 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists indicating that the person who is the subject of the request has been convicted of or pleaded guilty or no contest to any offense that is a violation of Chapter 2915. or 3768. of the Revised Code or to any offense under any existing or former law of this state, any other state, or the United States that is substantially equivalent to such an offense.

(19) On receipt of a request pursuant to section 3771.03 or 3775.03 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2)

of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section and shall request information from the federal bureau of investigation to determine whether any information exists indicating that the person who is the subject of the request has been convicted of any offense under any existing or former law of this state, any other state, or the United States that is a disqualifying offense as defined in section 3772.07 of the Revised Code.

(B) Subject to division (F) of this section, the superintendent shall conduct any criminal records check to be conducted under this section as follows:

(1) The superintendent shall review or cause to be reviewed any relevant information gathered and compiled by the bureau under division (A) of section 109.57 of the Revised Code that relates to the person who is the subject of the criminal records check, including, if the criminal records check was requested under section 113.041, 121.08, 124.74, 173.27, 173.38, 173.381, 718.131, 928.03, 1121.23, 1315.141, 1321.37, 1321.53, 1733.47, 1761.26, 2151.86, 3301.32, 3301.541, 3319.39, 3740.11, 3712.09, 3721.121, 3771.03, 3772.07, 3772.132, 3775.03, 3796.12, 3796.13, 4729.071, 4729.53, 4729.90, 4729.92, 4749.03, 4749.06, 4763.05, 4764.07, 4768.06, 5103.053, 5104.013, 5164.34, 5164.341, 5164.342, 5123.081, 5123.169, or 5153.111 of the Revised Code, any relevant information contained in records that have been sealed under section 2953.32 of the Revised Code;

(2) If the request received by the superintendent asks for information from the federal bureau of investigation, the superintendent shall request from the federal bureau of

investigation any information it has with respect to the person who is the subject of the criminal records check, including fingerprint-based checks of national crime information databases as described in 42 U.S.C. 671 if the request is made pursuant to section 2151.86, 5103.053, or 5104.013 of the Revised Code or if any other Revised Code section requires fingerprint-based checks of that nature, and shall review or cause to be reviewed any information the superintendent receives from that bureau. If a request under section 3319.39 of the Revised Code asks only for information from the federal bureau of investigation, the superintendent shall not conduct the review prescribed by division (B)(1) of this section.

(3) The superintendent or the superintendent's designee may request criminal history records from other states or the federal government pursuant to the national crime prevention and privacy compact set forth in section 109.571 of the Revised Code.

(4) The superintendent shall include in the results of the criminal records check a list or description of the offenses listed or described in the relevant provision of division (A) of this section. The superintendent shall exclude from the results any information the dissemination of which is prohibited by federal law.

(5) The superintendent shall send the results of the criminal records check to the person to whom it is to be sent not later than the following number of days after the date the superintendent receives the request for the criminal records check, the completed form prescribed under division (C)(1) of this section, and the set of fingerprint impressions obtained in the manner described in division (C)(2) of this section:

(a) If the superintendent is required by division (A) of this section (other than division (A)(3) of this section) to conduct the criminal records check, thirty;

(b) If the superintendent is required by division (A)(3) of this section to conduct the criminal records check, sixty.

(C)(1) The superintendent shall prescribe a form to obtain the information necessary to conduct a criminal records check from any person for whom a criminal records check is to be conducted under this section. The form that the superintendent prescribes pursuant to this division may be in a tangible format, in an electronic format, or in both tangible and electronic formats.

(2) The superintendent shall prescribe standard impression sheets to obtain the fingerprint impressions of any person for whom a criminal records check is to be conducted under this section. Any person for whom a records check is to be conducted under this section shall obtain the fingerprint impressions at a county sheriff's office, municipal police department, or any other entity with the ability to make fingerprint impressions on the standard impression sheets prescribed by the superintendent. The office, department, or entity may charge the person a reasonable fee for making the impressions. The standard impression sheets the superintendent prescribes pursuant to this division may be in a tangible format, in an electronic format, or in both tangible and electronic formats.

(3) Subject to division (D) of this section, the superintendent shall prescribe and charge a reasonable fee for providing a criminal records check under this section. The person requesting the criminal records check shall pay the fee prescribed pursuant to this division. In the case of a request

under section 1121.23, 1155.03, 1163.05, 1315.141, 1733.47, 1761.26, 2151.33, 2151.412, or 5164.34 of the Revised Code, the fee shall be paid in the manner specified in that section.

(4) The superintendent of the bureau of criminal identification and investigation may prescribe methods of forwarding fingerprint impressions and information necessary to conduct a criminal records check, which methods shall include, but not be limited to, an electronic method.

(D) The results of a criminal records check conducted under this section, other than a criminal records check specified in division (A)(7) of this section, are valid for the person who is the subject of the criminal records check for a period of one year from the date upon which the superintendent completes the criminal records check. If during that period the superintendent receives another request for a criminal records check to be conducted under this section for that person, the superintendent shall provide the results from the previous criminal records check of the person at a lower fee than the fee prescribed for the initial criminal records check.

(E) When the superintendent receives a request for information from a registered private provider, the superintendent shall proceed as if the request was received from a school district board of education under section 3319.39 of the Revised Code. The superintendent shall apply division (A)(1)(c) of this section to any such request for an applicant who is a teacher.

(F)(1) Subject to division (F)(2) of this section, all information regarding the results of a criminal records check conducted under this section that the superintendent reports or sends under division (A)(7) or (9) of this section to the

director of public safety, the treasurer of state, or the person, board, or entity that made the request for the criminal records check shall relate to the conviction of the subject person, or the subject person's plea of guilty to, a criminal offense.

(2) Division (F)(1) of this section does not limit, restrict, or preclude the superintendent's release of information that relates to the arrest of a person who is eighteen years of age or older, to an adjudication of a child as a delinquent child, or to a criminal conviction of a person under eighteen years of age in circumstances in which a release of that nature is authorized under division (E)(2), (3), or (4) of section 109.57 of the Revised Code pursuant to a rule adopted under division (E)(1) of that section.

(G) As used in this section:

(1) "Criminal records check" means any criminal records check conducted by the superintendent of the bureau of criminal identification and investigation in accordance with division (B) of this section.

(2) "Minor drug possession offense" has the same meaning as in section 2925.01 of the Revised Code.

(3) "OVI or OVUAC violation" means a violation of section 4511.19 of the Revised Code or a violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to section 4511.19 of the Revised Code.

(4) "Registered private provider" means a nonpublic school or entity registered with the department of education and workforce under section 3310.41 of the Revised Code to

participate in the autism scholarship program or section 3310.58 of the Revised Code to participate in the Jon Peterson special needs scholarship program.

Sec. 119.12. (A) Any party adversely affected by any order of an agency issued pursuant to an adjudication may appeal from the order of the agency to the court of common pleas of the county designated in division (B) of this section.

(B) An appeal from an order described in division (A) of this section shall be filed in the county designated as follows:

(1) Except as otherwise provided in division (B)(2) of this section, an appeal from an order of an agency issued pursuant to an adjudication denying an applicant admission to an examination, denying the issuance or renewal of a license or registration of a licensee, revoking or suspending a license, or allowing the payment of a forfeiture under section 4301.252 of the Revised Code shall be filed in the county in which the place of business of the licensee is located or the county in which the licensee is a resident.

(2) An appeal from an order issued by any of the following agencies shall be made to the court of common pleas of Franklin county or the court of common pleas in the county in which the place of business of the licensee is located or the county in which the licensee is a resident:

(a) The liquor control commission;

(b) The Ohio casino control commission;

(c) The state medical board;

(d) The state chiropractic board;

(e) The board of nursing;

(f) The bureau of workers' compensation regarding participation in the health partnership program created in sections 4121.44 and 4121.441 of the Revised Code.

(3) Appeals from orders of the fire marshal issued under Chapter 3737. of the Revised Code shall be to the court of common pleas of the county in which the building of the aggrieved person is located.

(4) Appeals under division (B) of section 124.34 of the Revised Code from a decision of the state personnel board of review or a municipal or civil service township civil service commission shall be taken to the court of common pleas of the county in which the appointing authority is located or, in the case of an appeal by the department of rehabilitation and correction, to the court of common pleas of Franklin county.

(5) If any party appealing from an order described in division (B)(1), (2), or (6) of this section is not a resident of and has no place of business in this state, the party shall appeal to the court of common pleas of Franklin county.

(6) Any party adversely affected by any order of an agency issued pursuant to any other adjudication may appeal to the court of common pleas of Franklin county or the court of common pleas of the county in which the business of the party is located or in which the party is a resident.

(C) This section does not apply to appeals from the department of taxation.

(D) Any party desiring to appeal shall file a notice of appeal with the agency setting forth the order appealed from and stating that the agency's order is not supported by reliable, probative, and substantial evidence and is not in accordance

with law. The notice of appeal may, but need not, set forth the specific grounds of the party's appeal beyond the statement that the agency's order is not supported by reliable, probative, and substantial evidence and is not in accordance with law. The notice of appeal shall also be filed by the appellant with the court. In filing a notice of appeal with the agency or court, the notice that is filed may be either the original notice or a copy of the original notice. Unless otherwise provided by law relating to a particular agency, notices of appeal shall be filed within fifteen days after the service of the notice of the agency's order as provided in section 119.05 of the Revised Code. For purposes of this paragraph, an order includes a determination appealed pursuant to division (C) of section 119.092 of the Revised Code. The amendments made to this paragraph by Sub. H.B. 215 of the 128th general assembly are procedural, and this paragraph as amended by those amendments shall be applied retrospectively to all appeals pursuant to this paragraph filed before September 13, 2010, but not earlier than May 7, 2009, which was the date the supreme court of Ohio released its opinion and judgment in Medcorp, Inc. v. Ohio Dep't. of Job and Family Servs. (2009), 121 Ohio St.3d 622.

(E) The filing of a notice of appeal shall not automatically operate as a suspension of the order of an agency. If it appears to the court that an unusual hardship to the appellant will result from the execution of the agency's order pending determination of the appeal, the court may grant a suspension and fix its terms. If an appeal is taken from the judgment of the court and the court has previously granted a suspension of the agency's order as provided in this section, the suspension of the agency's order shall not be vacated and shall be given full force and effect until the matter is finally

adjudicated. No renewal of a license or permit shall be denied by reason of the suspended order during the period of the appeal from the decision of the court of common pleas. In the case of an appeal from the Ohio casino control commission, the state medical board, or the state chiropractic board, the court may grant a suspension and fix its terms if it appears to the court that an unusual hardship to the appellant will result from the execution of the agency's order pending determination of the appeal and the health, safety, and welfare of the public will not be threatened by suspension of the order. This provision shall not be construed to limit the factors the court may consider in determining whether to suspend an order of any other agency pending determination of an appeal.

(F) The final order of adjudication may apply to any renewal of a license or permit which has been granted during the period of the appeal.

(G) Notwithstanding any other provision of this section, any order issued by a court of common pleas or a court of appeals suspending the effect of an order of the liquor control commission issued pursuant to Chapter 4301. or 4303. of the Revised Code that suspends, revokes, or cancels a permit issued under Chapter 4303. of the Revised Code or that allows the payment of a forfeiture under section 4301.252 of the Revised Code shall terminate not more than six months after the date of the filing of the record of the liquor control commission with the clerk of the court of common pleas and shall not be extended. The court of common pleas, or the court of appeals on appeal, shall render a judgment in that matter within six months after the date of the filing of the record of the liquor control commission with the clerk of the court of common pleas. A court of appeals shall not issue an order suspending the effect of an

order of the liquor control commission that extends beyond six months after the date on which the record of the liquor control commission is filed with a court of common pleas.

(H) Notwithstanding any other provision of this section, any order issued by a court of common pleas or a court of appeals suspending the effect of an order of the Ohio casino control commission issued under Chapter 3769., 3771., 3772., or 3775. or sections 3770.21 to 3770.22 of the Revised Code that limits, conditions, restricts, suspends, revokes, denies, not renews, fines, or otherwise penalizes an applicant, a licensee, or a person excluded or ejected from ~~a casino facility~~ gaming in accordance with section 3772.031 of the Revised Code shall terminate not more than six months after the date of the filing of the record of the Ohio casino control commission with the clerk of the court of common pleas and shall not be extended. The court of common pleas, or the court of appeals on appeal, shall render a judgment in that matter within six months after the date of the filing of the record of the Ohio casino control commission with the clerk of the court of common pleas. A court of appeals shall not issue an order suspending the effect of an order of the Ohio casino control commission that extends beyond six months after the date on which the record of the Ohio casino control commission is filed with the clerk of a court of common pleas.

(I) Notwithstanding any other provision of this section, any order issued by a court of common pleas suspending the effect of an order of the state medical board or state chiropractic board that limits, revokes, suspends, places on probation, or refuses to register or reinstate a certificate issued by the board or reprimands the holder of the certificate shall terminate not more than fifteen months after the date of

the filing of a notice of appeal in the court of common pleas, or upon the rendering of a final decision or order in the appeal by the court of common pleas, whichever occurs first.

(J) Within thirty days after receipt of a notice of appeal from an order in any case in which a hearing is required by sections 119.01 to 119.13 of the Revised Code, the agency shall prepare and certify to the court a complete record of the proceedings in the case. Failure of the agency to comply within the time allowed, upon motion, shall cause the court to enter a finding in favor of the party adversely affected. Additional time, however, may be granted by the court, not to exceed thirty days, when it is shown that the agency has made substantial effort to comply. The record shall be prepared and transcribed, and the expense of it shall be taxed as a part of the costs on the appeal. The appellant shall provide security for costs satisfactory to the court of common pleas. Upon demand by any interested party, the agency shall furnish at the cost of the party requesting it a copy of the stenographic report of testimony offered and evidence submitted at any hearing and a copy of the complete record.

(K) Notwithstanding any other provision of this section, any party desiring to appeal an order or decision of the state personnel board of review shall, at the time of filing a notice of appeal with the board, provide a security deposit in an amount and manner prescribed in rules that the board shall adopt in accordance with this chapter. In addition, the board is not required to prepare or transcribe the record of any of its proceedings unless the appellant has provided the deposit described above. The failure of the board to prepare or transcribe a record for an appellant who has not provided a security deposit shall not cause a court to enter a finding

adverse to the board.

(L) Unless otherwise provided by law, in the hearing of the appeal, the court is confined to the record as certified to it by the agency. Unless otherwise provided by law, the court may grant a request for the admission of additional evidence when satisfied that the additional evidence is newly discovered and could not with reasonable diligence have been ascertained prior to the hearing before the agency.

(M) The court shall conduct a hearing on the appeal and shall give preference to all proceedings under sections 119.01 to 119.13 of the Revised Code, over all other civil cases, irrespective of the position of the proceedings on the calendar of the court. An appeal from an order of the state medical board issued pursuant to division (G) of either section 4730.25 or 4731.22 of the Revised Code, the state chiropractic board issued pursuant to section 4734.37 of the Revised Code, the liquor control commission issued pursuant to Chapter 4301. or 4303. of the Revised Code, or the Ohio casino control commission issued pursuant to Chapter 3772. of the Revised Code shall be set down for hearing at the earliest possible time and takes precedence over all other actions. The hearing in the court of common pleas shall proceed as in the trial of a civil action, and the court shall determine the rights of the parties in accordance with the laws applicable to a civil action. At the hearing, counsel may be heard on oral argument, briefs may be submitted, and evidence may be introduced if the court has granted a request for the presentation of additional evidence.

(N) The court may affirm the order of the agency complained of in the appeal if it finds, upon consideration of the entire record and any additional evidence the court has

admitted, that the order is supported by reliable, probative, and substantial evidence and is in accordance with law. In the absence of this finding, it may reverse, vacate, or modify the order or make such other ruling as is supported by reliable, probative, and substantial evidence and is in accordance with law. The court shall award compensation for fees in accordance with section 2335.39 of the Revised Code to a prevailing party, other than an agency, in an appeal filed pursuant to this section.

(O) The judgment of the court shall be final and conclusive unless reversed, vacated, or modified on appeal. These appeals may be taken either by the party or the agency, shall proceed as in the case of appeals in civil actions, and shall be pursuant to the Rules of Appellate Procedure and, to the extent not in conflict with those rules, Chapter 2505. of the Revised Code. An appeal by the agency shall be taken on questions of law relating to the constitutionality, construction, or interpretation of statutes and rules of the agency, and, in the appeal, the court may also review and determine the correctness of the judgment of the court of common pleas that the order of the agency is not supported by any reliable, probative, and substantial evidence in the entire record.

The court shall certify its judgment to the agency or take any other action necessary to give its judgment effect.

Sec. 121.95. (A) As used in sections 121.95, 121.951, 121.952, 121.953, and 121.954 of the Revised Code, "state agency" means an administrative department created under section 121.02 of the Revised Code, an administrative department head appointed under section 121.03 of the Revised Code, and a state

agency organized under an administrative department or administrative department head. "State agency" also includes the department of education and workforce, the state lottery commission, the Ohio casino control commission, ~~the state racing commission,~~ and the public utilities commission of Ohio. Rules adopted by an otherwise independent official or entity organized under a state agency shall be attributed to the agency under which the official or entity is organized for the purposes of sections 121.95, 121.951, 121.952, 121.953, and 121.954 of the Revised Code.

(B) Not later than December 31, 2019, a state agency shall review its existing rules to identify rules having one or more regulatory restrictions that require or prohibit an action and prepare a base inventory of the regulatory restrictions in its existing rules. Rules that include the words "shall," "must," "require," "shall not," "may not," and "prohibit" shall be considered to contain regulatory restrictions.

(C) In the base inventory, the state agency shall indicate all of the following concerning each regulatory restriction:

(1) A description of the regulatory restriction;

(2) The rule number of the rule in which the regulatory restriction appears;

(3) The statute under which the regulatory restriction was adopted;

(4) Whether state or federal law expressly and specifically requires the agency to adopt the regulatory restriction or the agency adopted the regulatory restriction under the agency's general authority;

(5) Whether removing the regulatory restriction would

require a change to state or federal law, provided that removing a regulatory restriction adopted under a law granting the agency general authority shall be presumed not to require a change to state or federal law;

(6) Any other information the joint committee on agency rule review considers necessary.

(D) The state agency shall compute and state the total number of regulatory restrictions indicated in the base inventory, shall post the base inventory on its web site, and shall electronically transmit a copy of the inventory to the joint committee. The joint committee shall review the base inventory, then transmit it electronically to the speaker of the house of representatives and the president of the senate.

(E) The following types of rules or regulatory restrictions are not required to be included in a state agency's inventory of regulatory restrictions:

(1) An internal management rule;

(2) An emergency rule;

(3) A rule that state or federal law requires the state agency to adopt verbatim;

(4) A regulatory restriction contained in materials or documents incorporated by reference into a rule pursuant to sections 121.71 to 121.75 of the Revised Code;

(5) A rule adopted pursuant to section 1347.15 of the Revised Code;

(6) A rule concerning instant lottery games;

(7) A rule adopted by the Ohio casino control commission

or the state lottery commission concerning sports gaming;

(8) Any other rule that is not subject to review under Chapter 106. of the Revised Code;

(9) Any rule that is adopted as a requirement for the state agency to obtain or maintain accreditation or certification from a multistate organization consisting of at least forty-five participating states.

(F) Beginning on October 17, 2019, and ending on June 30, 2025, a state agency may not adopt a new regulatory restriction unless it simultaneously removes two or more other existing regulatory restrictions. The state agency may not satisfy this section by merging two or more existing regulatory restrictions into a single surviving regulatory restriction.

Sec. 131.02. (A) Except as otherwise provided in section 4123.37, section 5703.061, and division (K) of section 4123.511 of the Revised Code, whenever any amount is payable to the state, the officer, employee, or agent responsible for administering the law under which the amount is payable shall immediately proceed to collect the amount or cause the amount to be collected and shall pay the amount into the state treasury or into the appropriate custodial fund in the manner set forth pursuant to section 113.08 of the Revised Code. Except as otherwise provided in this division, if the amount is not paid within forty-five days after payment is due, the officer, employee, or agent shall certify the amount due to the attorney general, in the form and manner prescribed by the attorney general. In the case of an amount payable by a student enrolled in a state institution of higher education, the amount shall be certified within the later of forty-five days after the amount is due or the tenth day after the beginning of the next academic

semester, quarter, or other session following the session for which the payment is payable. The attorney general may assess the collection cost to the amount certified in such manner and amount as prescribed by the attorney general. If an amount payable to a political subdivision is past due, the political subdivision may, with the approval of the attorney general, certify the amount to the attorney general pursuant to this section.

For the purposes of this section, the attorney general and the officer, employee, or agent responsible for administering the law under which the amount is payable shall agree on the time a payment is due, and that agreed upon time shall be one of the following times:

(1) If a law, including an administrative rule, of this state prescribes the time a payment is required to be made or reported, when the payment is required by that law to be paid or reported.

(2) If the payment is for services rendered, when the rendering of the services is completed.

(3) If the payment is reimbursement for a loss, when the loss is incurred.

(4) In the case of a fine or penalty for which a law or administrative rule does not prescribe a time for payment, when the fine or penalty is first assessed.

(5) If the payment arises from a legal finding, judgment, or adjudication order, when the finding, judgment, or order is rendered or issued.

(6) If the payment arises from an overpayment of money by the state to another person, when the overpayment is discovered.

(7) The date on which the amount for which an individual is personally liable under section 5735.35, section 5739.33, or division (G) of section 5747.07 of the Revised Code is determined.

(8) Upon proof of claim being filed in a bankruptcy case.

(9) Any other appropriate time determined by the attorney general and the officer, employee, or agent responsible for administering the law under which the amount is payable on the basis of statutory requirements or ordinary business processes of the agency, institution, or political subdivision to which the payment is owed.

(B)(1) The attorney general shall give immediate notice by mail or otherwise to the party indebted of the nature and amount of the indebtedness.

(2) If the amount payable to this state arises from a tax levied under Chapter 5733., 5739., 5741., 5747., or 5751. of the Revised Code, the notice also shall specify all of the following:

(a) The assessment or case number;

(b) The tax pursuant to which the assessment is made;

(c) The reason for the liability, including, if applicable, that a penalty or interest is due;

(d) An explanation of how and when interest will be added to the amount assessed;

(e) That the attorney general and tax commissioner, acting together, have the authority, but are not required, to compromise the claim and accept payment over a reasonable time, if such actions are in the best interest of the state.

(C) The attorney general shall collect the claim or secure a judgment and issue an execution for its collection.

(D) Each claim shall bear interest, from the day on which the claim became due, at the rate per annum required by section 5703.47 of the Revised Code.

(E) The attorney general and the chief officer of the agency reporting a claim, acting together, may do any of the following if such action is in the best interests of the state:

(1) Compromise the claim;

(2) Extend for a reasonable period the time for payment of the claim by agreeing to accept monthly or other periodic payments. The agreement may require security for payment of the claim.

(3) Add fees to recover the cost of processing checks or other draft instruments returned for insufficient funds and the cost of providing electronic payment options.

(F)(1) Except as provided in division (F)(2) of this section, if the attorney general finds, after investigation, that any claim due and owing to the state is uncollectible, the attorney general, with the consent of the chief officer of the agency reporting the claim, may do the following:

(a) Sell, convey, or otherwise transfer the claim to one or more private entities for collection;

(b) Cancel the claim or cause it to be canceled.

(2) The attorney general shall cancel or cause to be canceled an unsatisfied claim on the date that is forty years after the date the claim is certified, unless the attorney general has adopted a rule under division (F)(5) of this section

shortening this time frame with respect to a subset of claims.

(3) No initial action shall be commenced to collect any tax payable to the state that is administered by the tax commissioner, whether or not such tax is subject to division (B) of this section, or any penalty, interest, or additional charge on such tax, after the expiration of the period ending on the later of the dates specified in divisions (F)(3)(a) and (b) of this section, provided that such period shall be extended by the period of any stay to such collection or by any other period to which the parties mutually agree. If the initial action in aid of execution is commenced before the later of the dates specified in divisions (F)(3)(a) and (b) of this section, any and all subsequent actions may be pursued in aid of execution of judgment for as long as the debt exists.

(a) Seven years after the assessment of the tax, penalty, interest, or additional charge is issued.

(b) Four years after the assessment of the tax, penalty, interest, or additional charge becomes final. For the purposes of division (F)(3)(b) of this section, the assessment becomes final at the latest of the following: upon expiration of the period to petition for reassessment, or if applicable, to appeal a final determination of the commissioner or decision of the board of tax appeals or a court, or, if applicable, upon decision of the United States supreme court.

For the purposes of division (F)(3) of this section, an initial action to collect a tax debt is commenced at the time when a certified copy of the tax commissioner's entry making an assessment final has been filed in the office of the clerk of court of common pleas in the county in which the taxpayer resides or has its principal place of business in this state, or

in the office of the clerk of court of common pleas of Franklin county, as provided in section 5739.13, 5741.14, 5747.13, or 5751.09 of the Revised Code or in any other applicable law requiring such a filing. If an assessment has not been issued and there is no time limitation on the issuance of an assessment under applicable law, an action to collect a tax debt commences when the action is filed in the courts of this state to collect the liability.

(4) If information contained in a claim that is sold, conveyed, or transferred to a private entity pursuant to this section is confidential pursuant to federal law or a section of the Revised Code that implements a federal law governing confidentiality, such information remains subject to that law during and following the sale, conveyance, or transfer.

(5) The attorney general may adopt rules to aid in the implementation of this section.

(G) The attorney general shall develop and implement a real time data match program and make it available to all of the following persons to identify patrons who owe amounts to the state or a political subdivision pursuant to sections 3770.073 and 3772.37 of the Revised Code:

(1) Each permit holder operating under Chapter 3769. of the Revised Code;

(2) The state lottery commission;

(3) Each video lottery sales agent operating under sections 3770.21 to 3770.22 of the Revised Code;

(4) Each internet gambling operator operating under Chapter 3771. of the Revised Code;

(5) Each casino operator and management company operating under Chapter 3772. of the Revised Code;

(6) Each sports gaming proprietor operating under Chapter 3775. of the Revised Code.

Sec. 718.031. As used in this section~~, "sports~~ :

"Permit holder" and "track" have the same meanings as in section 3769.01 of the Revised Code.

"Sports gaming facility" and "type B sports gaming proprietor" have the same meanings as in section 3775.01 of the Revised Code~~ and "lottery~~ .

"Lottery sports gaming," ~~has~~ "video lottery terminal," and "video lottery sales agent" have the same ~~meaning~~ meanings as in section ~~3770.23~~ 3770.01 of the Revised Code.

"Casino facility" and "casino operator" have the same meanings as in section 3772.01 of the Revised Code.

(A) A municipal corporation shall require the following persons to withhold and remit municipal income tax with respect to amounts other than qualifying wages as provided in this section:

(1) A casino facility or a casino operator,~~ as defined in Section 6(C)(9) of Article XV, Ohio Constitution, and section 3772.01 of the Revised Code, respectively~~ with respect to winnings from casino gaming;

(2) A ~~lottery sales agent conducting~~ video lottery ~~terminals on behalf of the state~~ sales agent, with respect to winnings from a video lottery terminal at a track;

(3) A type B sports gaming proprietor~~ offering~~ , with

respect to winnings from sports gaming conducted at a sports gaming facility;

(4) A permit holder, with respect to winnings from pari-mutuel wagering on horse racing conducted in person at a track.

(B) If a person's winnings ~~at a casino facility or sports gaming facility~~ described in division (A) of this section are an amount for which reporting to the internal revenue service of the amount is required by section 6041 of the Internal Revenue Code, as amended, ~~a casino operator or sports gaming proprietor~~ the applicable person described in division (A) of this section shall deduct and withhold municipal income tax from the person's winnings at the rate of the tax imposed by the municipal corporation in which the casino facility ~~or~~ , sports gaming facility, or track is located.

(C) Amounts deducted and withheld ~~by a casino operator or sports gaming proprietor~~ under this section are held in trust for the benefit of the municipal corporation to which the tax is owed.

(1) On or before the tenth day of each month, the ~~casino operator or sports gaming proprietor~~ person conducting the withholding shall file a return electronically with the tax administrator of the municipal corporation, providing the name, address, and social security number of the person from whose winnings amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the winnings from which each such amount was withheld, the type of casino gaming or sports gaming that resulted in such winnings, and any other information required by the tax administrator. With this return, the ~~casino operator or sports gaming proprietor~~ person conducting the withholding shall

remit electronically to the municipal corporation all amounts deducted and withheld during the preceding month.

(2) Annually, on or before the thirty-first day of January, ~~a casino operator or sports gaming proprietor~~ the person conducting the withholding shall file an annual return electronically with the tax administrator of the municipal corporation in which the casino facility ~~or~~ , sports gaming facility, or track is located, indicating the total amount deducted and withheld during the preceding calendar year. The ~~casino operator or sports gaming proprietor~~ person conducting the withholding shall remit electronically with the annual return any amount that was deducted and withheld and that was not previously remitted. If the name, address, or social security number of a person or the amount deducted and withheld with respect to that person was omitted on a monthly return for that reporting period, that information shall be indicated on the annual return.

(3) Annually, on or before the thirty-first day of January, ~~a casino operator or sports gaming proprietor~~ the person conducting the withholding shall issue an information return to each person with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount of municipal income tax deducted from the person's winnings during the preceding year. The ~~casino operator or sports gaming proprietor~~ person conducting the withholding shall provide to the tax administrator a copy of each information return issued under this division. The administrator may require that such copies be transmitted electronically.

(4) A ~~casino operator or sports gaming proprietor~~ person

described in division (A) of this section that fails to file a return and remit the amounts deducted and withheld shall be personally liable for the amount withheld and not remitted. Such personal liability extends to any penalty and interest imposed for the late filing of a return or the late payment of tax deducted and withheld.

(5) If a ~~casino operator or sports gaming proprietor~~ person described in division (A) of this section sells the casino facility ~~or~~ , sports gaming facility, or track or otherwise quits the ~~casino or sports gaming~~ applicable business, the amounts deducted and withheld along with any penalties and interest thereon are immediately due and payable. The successor shall withhold an amount of the purchase money that is sufficient to cover the amounts deducted and withheld along with any penalties and interest thereon until the predecessor ~~casino operator or sports gaming proprietor~~ produces either of the following:

(a) A receipt from the tax administrator showing that the amounts deducted and withheld and penalties and interest thereon have been paid;

(b) A certificate from the tax administrator indicating that no amounts are due.

If the successor fails to withhold purchase money, the successor is personally liable for the payment of the amounts deducted and withheld and penalties and interest thereon.

(6) The failure of a ~~casino operator or sports gaming proprietor~~ person described in division (A) of this section to deduct and withhold the required amount from a person's winnings does not relieve that person from liability for the municipal

income tax with respect to those winnings.

(D) ~~If a person's prize award from a video lottery terminal or from lottery sports gaming offered in a video lottery terminal facility is an amount for which reporting to the internal revenue service is required by section 6041 of the Internal Revenue Code, as amended, the video lottery sales agent shall deduct and withhold municipal income tax from the person's prize award at the rate of the tax imposed by the municipal corporation in which the video lottery terminal facility is located.~~

~~(E) Amounts deducted and withheld by a video lottery sales agent are held in trust for the benefit of the municipal corporation to which the tax is owed.~~

~~(1) The video lottery sales agent shall issue to a person from whose prize award an amount has been deducted and withheld a receipt for the amount deducted and withheld, and shall obtain from the person receiving a prize award the person's name, address, and social security number in order to facilitate the preparation of returns required by this section.~~

~~(2) On or before the tenth day of each month, the video lottery sales agent shall file a return electronically with the tax administrator of the municipal corporation providing the names, addresses, and social security numbers of the persons from whose prize awards amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the prize award from which each such amount was withheld, and any other information required by the tax administrator. With the return, the video lottery sales agent shall remit electronically to the tax administrator all amounts deducted and withheld during the~~

~~preceding month.~~

~~(3) A video lottery sales agent shall maintain a record of all receipts issued under division (E) of this section and shall make those records available to the tax administrator upon request. Such records shall be maintained in accordance with section 5747.17 of the Revised Code and any rules adopted pursuant thereto.~~

~~(4) Annually, on or before the thirty-first day of January, each video lottery terminal sales agent shall file an annual return electronically with the tax administrator of the municipal corporation in which the facility is located indicating the total amount deducted and withheld during the preceding calendar year. The video 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 name, address, or social security number of a person or the amount deducted and withheld with respect to that person was omitted on a monthly return for that reporting period, that information shall be indicated on the annual return.~~

~~(5) Annually, on or before the thirty-first day of January, a video lottery sales agent shall issue an information return to each person with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount of municipal income tax deducted and withheld from the person's prize award by the video lottery sales agent during the preceding year. A video lottery sales agent shall provide to the tax administrator of the municipal corporation a copy of each information return issued under this division. The tax administrator may require that such copies be transmitted electronically.~~

~~(6) A video 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. Such personal liability extends to any penalty and interest imposed for the late filing of a return or the late payment of tax deducted and withheld.~~

~~(F) If a video lottery sales agent ceases to operate video lottery terminals, the amounts deducted and withheld along with any penalties and interest thereon are immediately due and payable. The successor of the video lottery sales agent that purchases the video lottery terminals from the agent shall withhold an amount from the purchase money that is sufficient to cover the amounts deducted and withheld and any penalties and interest thereon until the predecessor video lottery sales agent operator produces either of the following:~~

~~(1) A receipt from the tax administrator showing that the amounts deducted and withheld and penalties and interest thereon have been paid;~~

~~(2) A certificate from the tax administrator indicating that no amounts are due.~~

~~If the successor fails to withhold purchase money, the successor is personally liable for the payment of the amounts deducted and withheld and penalties and interest thereon.~~

~~(G) The failure of a video lottery sales agent to deduct and withhold the required amount from a person's prize award does not relieve that person from liability for the municipal income tax with respect to that prize award.~~

~~(H)~~ If a ~~casino operator, sports gaming proprietor, or lottery sales agent~~ person described in division (A) of this

section files a return late, fails to file a return, remits amounts deducted and withheld late, or fails to remit amounts deducted and withheld as required under this section, the tax administrator of a municipal corporation may impose the following applicable penalty:

(1) For the late remittance of, or failure to remit, tax deducted and withheld under this section, a penalty equal to fifty per cent of the tax deducted and withheld;

(2) For the failure to file, or the late filing of, a monthly or annual return, a penalty of five hundred dollars for each return not filed or filed late. Interest shall accrue on past due amounts deducted and withheld at the rate prescribed in section 5703.47 of the Revised Code.

~~(I)~~ (E) Amounts deducted and withheld on behalf of a municipal corporation shall be allowed as a credit against payment of the tax imposed by the municipal corporation and shall be treated as taxes paid for purposes of section 718.08 of the Revised Code. This division applies only to the person for whom the amount is deducted and withheld.

~~(J)~~ (F) The tax administrator shall prescribe the forms of the receipts and returns required under this section.

Sec. 959.05. No person shall administer to any animal within forty-eight hours prior to the time that the animal competes at a fair or exhibition conducted by a county or independent agricultural society authorized under Chapter 1711. of the Revised Code or by the Ohio expositions commission any drug or medicament not specifically permitted under rules of the ~~state racing~~ Ohio casino control commission promulgated pursuant to Chapter 3769. of the Revised Code or under rules of the

society, in respect to a county or independent agricultural society, or of the Ohio expositions commission, in respect to the Ohio state fair. This section does not apply to any horse racing meeting conducted under a permit issued pursuant to Chapter 3769. of the Revised Code.

Sec. 1309.109. (A) Except as otherwise provided in divisions (C) and (D) of this section, this chapter applies to the following:

(1) A transaction, regardless of its form, that creates a security interest in personal property or fixtures by contract;

(2) An agricultural lien;

(3) A sale of accounts, chattel paper, payment intangibles, or promissory notes;

(4) A consignment;

(5) A security interest arising under section 1302.42 or 1302.49, division (C) of section 1302.85, or division (E) of section 1310.54 of the Revised Code, as provided in section 1309.110 of the Revised Code; and

(6) A security interest arising under section 1304.20 or 1305.18 of the Revised Code.

(B) The application of this chapter to a security interest in a secured obligation is not affected by the fact that the obligation is itself secured by a transaction or interest to which this chapter does not apply.

(C) This chapter does not apply to the extent that:

(1) A statute, regulation, or treaty of the United States preempts this chapter; or

(2) The rights of a transferee beneficiary or nominated person under a letter of credit are independent and superior under section 1305.13 of the Revised Code.

(D) This chapter does not apply to the following:

(1) A landlord's lien, other than an agricultural lien;

(2)(a) A lien, not enumerated in division (D)(2) of this section and other than an agricultural lien, given by statute or other rule of law for services or materials, including any lien created under any provision of Chapter 926., sections 1311.55 to 1311.57, sections 1311.71 to 1311.80, section 1701.66, or Chapter 4585. of the Revised Code;

(b) Notwithstanding division (D)(2)(a) of this section, section 1309.333 of the Revised Code applies with respect to priority of the lien.

(3) An assignment of a claim for wages, salary, or other compensation of an employee;

(4) A sale of accounts, chattel paper, payment intangibles, or promissory notes as part of a sale of the business out of which they arose;

(5) An assignment of accounts, chattel paper, payment intangibles, or promissory notes that is for the purpose of collection only;

(6) An assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract;

(7) An assignment of a single account, payment intangible, or promissory note to an assignee in full or partial satisfaction of a preexisting indebtedness;

(8) A transfer of an interest in or an assignment of a claim under a policy of insurance, other than an assignment by or to a health-care provider of a health-care-insurance receivable and any subsequent assignment of the right to payment, but sections 1309.315 and 1309.322 of the Revised Code apply with respect to proceeds and priorities in proceeds;

(9) An assignment of a right represented by a judgment, other than a judgment taken on a right to payment that was collateral;

(10) A right of recoupment or set-off, but:

(a) Section 1309.340 of the Revised Code applies with respect to the effectiveness of rights of recoupment or set-off against deposit accounts; and

(b) Section 1309.404 of the Revised Code applies with respect to defenses or claims of an account debtor.

(11) The creation or transfer of an interest in or lien on real property, including a lease or rents under a lease, except to the extent that provision is made for:

(a) Liens on real property in sections 1309.203 and 1309.308 of the Revised Code;

(b) Fixtures in section 1309.334 of the Revised Code;

(c) Fixture filings in sections 1309.501, 1309.502, 1309.512, 1309.516, and 1309.519 of the Revised Code; and

(d) Security agreements covering personal and real property in section 1309.604 of the Revised Code.

(12) An assignment of a claim arising in tort, other than a commercial tort claim, but sections 1309.315 and 1309.322 of

the Revised Code apply with respect to proceeds and priorities in proceeds;

(13) An assignment of a deposit account in a consumer transaction, but sections 1309.315 and 1309.322 of the Revised Code apply with respect to proceeds and priorities in proceeds; or

(14) A transfer by a government, state, or governmental unit.

(E) The granting of a security interest in all or any part of a lottery prize award for consideration is subject to the prohibition of division (C) of section 3770.07 of the Revised Code. The sale, assignment, or other redirection of a lottery prize award for consideration is subject to the provisions of division (D) of section 3770.07 and sections ~~3770.10~~ 3770.11 to 3770.14 of the Revised Code.

Sec. 1711.09. (A) Except as otherwise provided in this section, county agricultural societies, independent agricultural societies, and the Ohio expositions commission shall not permit during any fair, or for one week before or three days after any fair, any dealing in spirituous liquors, or at any time allow or tolerate immoral shows, lottery devices, games of chance, or gambling of any kind, including pool selling and paddle wheels, anywhere on the fairground.

(B) A county or independent agricultural society or the Ohio expositions commission shall not permit a person at any time to operate any side show, amusement, game, or device, or offer for sale any novelty by auction or solicitation, on the fairground who has not first obtained from the director of agriculture a license under section 1711.11 of the Revised Code.

(C) This section does not prohibit the sale of lottery tickets by the state lottery commission pursuant to Chapter 3770. of the Revised Code at the state fairground during the state fair. In addition, a county or independent agricultural society may permit, at any time except during a fair or for one week before or three days after a fair, a charitable organization to conduct in accordance with Chapter ~~2915.~~ 3768. of the Revised Code games of chance or bingo on the fairground of any county. A charitable organization may lease all or part of the fairground from the agricultural society for that purpose.

(D) Any sales of intoxicating liquor transacted on the fairground is subject to Chapters 4301., 4303., and 4399. of the Revised Code.

Sec. 1716.21. (A)(1) Except as provided in division (B) of this section or as specifically required or authorized by federal law, no agency or official of this state shall impose any filing or reporting requirement on a charitable organization, regulated or specifically exempted from regulation under Chapter 1716. of the Revised Code, that is more stringent, restrictive, or expansive than the requirements explicitly authorized by the Revised Code.

(2) Division (A)(1) of this section shall not be construed as repealing or otherwise negating any rule or requirement already in existence as of ~~the effective date of this section~~ September 30, 2021.

(3) Division (A)(1) of this section shall not be construed as negating or limiting any of the following:

(a) Any civil or criminal right, claim, or defense that

the attorney general may assert under the Revised Code or common law;

(b) The authority of the attorney general to institute and prosecute an action to enforce any provision of the Revised Code the attorney general is authorized to enforce;

(c) The independent authority of the attorney general to protect charitable assets in this state.

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

(1) State grants and contracts;

(2) Fraud investigations;

(3) Any enforcement action taken against a specific charitable organization;

(4) Settlement agreements;

(5) Assurances of discontinuance;

(6) Court judgments;

(7) Entities operating under Chapter ~~2915.~~ 3768. of the Revised Code.

Sec. 2915.01. As used in this chapter:

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

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

(C) "Scheme of chance" means a slot machine unless authorized under Chapter 3772. of the Revised Code, lottery unless authorized under Chapter 3770. of the Revised Code,

numbers game, pool conducted for profit, or other scheme in which a participant gives a valuable consideration for a chance to win a prize, but does not include bingo, a skill-based amusement machine, internet gambling authorized under Chapter 3771. of the Revised Code, or a pool not conducted for profit. "Scheme of chance" includes the use of an electronic device to reveal the results of a game entry if valuable consideration is paid, directly or indirectly, for a chance to win a prize. Valuable consideration is deemed to be paid for a chance to win a prize in the following instances:

(1) Less than fifty per cent of the goods or services sold by a scheme of chance operator in exchange for game entries are used or redeemed by participants at any one location;

(2) Less than fifty per cent of participants who purchase goods or services at any one location do not accept, use, or redeem the goods or services sold or purportedly sold;

(3) More than fifty per cent of prizes at any one location are revealed to participants through an electronic device simulating a game of chance or a "casino game" as defined in section 3772.01 of the Revised Code;

(4) The good or service sold by a scheme of chance operator in exchange for a game entry cannot be used or redeemed in the manner advertised;

(5) A participant pays more than fair market value for goods or services offered by a scheme of chance operator in order to receive one or more game entries;

(6) A participant may use the electronic device to purchase additional game entries;

(7) A participant may purchase additional game entries by

using points or credits won as prizes while using the electronic device;

(8) A scheme of chance operator pays out in prize money more than twenty per cent of the gross revenue received at one location; or

(9) A participant makes a purchase or exchange in order to obtain any good or service that may be used to facilitate play on the electronic device.

As used in this division, "electronic device" means a mechanical, video, digital, or electronic machine or device that is capable of displaying information on a screen or other mechanism and that is owned, leased, or otherwise possessed by any person conducting a scheme of chance, or by that person's partners, affiliates, subsidiaries, or contractors. "Electronic device" does not include an electronic instant bingo system.

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

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

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

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

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

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

(4) Any equipment, device, apparatus, or paraphernalia specially designed for gambling purposes;

(5) Bingo supplies sold or otherwise provided, or used, in violation of ~~this chapter~~ Chapter 3768. of the Revised Code.

(G) "Gambling offense" means any of the following:

(1) A violation of this chapter;

(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 provision of this chapter or a violation of section 2915.06 of the Revised Code as it existed prior to July 1, 1996;

(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;

(4) A conspiracy or attempt to commit, or complicity in committing, any offense under division (G)(1), (2), or (3) of this section.

(H) ~~Except as otherwise provided in this chapter, "charitable organization" means either of the following:~~

~~(1) An organization that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code;~~

~~(2) A volunteer rescue service organization, volunteer firefighter's organization, veteran's organization, fraternal~~

~~organization, or sporting organization that is exempt from federal income taxation under subsection 501(c)(4), (c)(7), (c)(8), (c)(10), or (c)(19) of the Internal Revenue Code.~~

~~To qualify as a "charitable organization," an organization shall have been in continuous existence as such in this state for a period of two years immediately preceding either the making of an application for a bingo license under section 2915.08 of the Revised Code or the conducting of any game of chance as provided in division (D) of section 2915.02 of the Revised Code.~~

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

~~(J) "Veteran's organization" means any individual post or state headquarters of a national veteran's association or an auxiliary unit of any individual post of a national veteran's association, which post, state headquarters, or auxiliary unit is incorporated as a nonprofit corporation and either has received a letter from the state headquarters of the national veteran's association indicating that the individual post or auxiliary unit is in good standing with the national veteran's association or has received a letter from the national veteran's association indicating that the state headquarters is in good standing with the national veteran's association. As used in this division, "national veteran's association" means any veteran's association that has been in continuous existence as such for a period of at least five years and either is incorporated by an act of the United States congress or has a national dues-paying membership of at least five thousand~~

~~persons.~~

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

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

~~(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.~~

~~(N) "Charitable bingo game" means any bingo game described in division (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.~~

~~(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 sheets that correspond to combinations of letters and numbers that are announced by a bingo game operator.~~

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

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

~~(2) Instant bingo, electronic instant bingo, and raffles~~, "instant bingo ticket dispenser," "electronic instant bingo system," and "Internal Revenue Code" have the same meanings as in section 3768.01 of the Revised Code.

~~(P)~~ (I) "Conduct" means to back, promote, organize, manage, carry on, sponsor, or prepare for the operation of ~~bingo or~~ a game of chance~~,~~ or a scheme of chance~~, or a sweepstakes~~.

~~(Q) "Bingo game operator" means any person, except security personnel, who performs work or labor at the site of bingo, including, but not limited to, collecting money from~~

~~participants, handing out bingo cards or sheets or objects to cover spaces on bingo cards or sheets, selecting from a receptacle the objects that contain the combination of letters and numbers that appear on bingo cards or sheets, calling out the combinations of letters and numbers, distributing prizes, selling or redeeming instant bingo tickets or cards, selling or redeeming electronic instant bingo tickets, credits, or vouchers, accessing an electronic instant bingo system other than as a participant, supervising the operation of a punch board, selling raffle tickets, selecting raffle tickets from a receptacle and announcing the winning numbers in a raffle, and preparing, selling, and serving food or beverages. "Bingo game operator" does not include a person who is installing, maintaining, updating, or repairing an electronic instant bingo system.~~

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

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

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

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

~~(T) "Gross receipts" means all money or assets, including admission fees, that a person receives from bingo without the deduction of any amounts for prizes paid out or for the expenses of conducting bingo. "Gross receipts" does not include any money~~

~~directly taken in from the sale of food or beverages by a charitable organization conducting bingo, or by a bona fide auxiliary unit or society of a charitable organization conducting bingo, provided all of the following apply:~~

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

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

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

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

~~(V) "Charitable purpose" means that the net profit of bingo, other than instant bingo or electronic 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 profit exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, if contributions for such use would qualify as a deductible charitable contribution under subsection 170 of the Internal Revenue Code;~~

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

~~(W) "Internal Revenue Code" means the "Internal Revenue~~

~~Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as now or hereafter amended.~~

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

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

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

~~(a) The playing fields are used for athletic activities by one or more organizations, not organized for profit, each of which is organized and operated exclusively to provide financial support to, or to operate, athletic activities for persons who are eighteen years of age or younger by means of sponsoring, organizing, operating, or contributing to the support of an athletic team, club, league, or association.~~

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

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

~~(Z) "Bingo supplies" means bingo cards or sheets; instant bingo tickets or cards; electronic bingo aids; raffle tickets; punch boards; seal cards; instant bingo ticket dispensers;~~

~~electronic instant bingo systems; and devices for selecting or displaying the combination of bingo letters and numbers or raffle tickets. Items that are "bingo supplies" are not gambling devices if sold or otherwise provided, and used, in accordance with this chapter. For purposes of this chapter, "bingo supplies" are not to be considered equipment used to conduct a bingo game.~~

~~(AA) "Instant bingo" means a form of bingo that shall use folded or banded tickets or paper cards with perforated break-open tabs, a face of which is covered or otherwise hidden from view to conceal a number, letter, or symbol, or set of numbers, letters, or symbols, some of which have been designated in advance as prize winners, and may also include games in which some winners are determined by the random selection of one or more bingo numbers by the use of a seal card or bingo blower. "Instant bingo" also includes a punch board game. In all "instant bingo" the prize amount and structure shall be predetermined. "Instant bingo" does not include electronic instant bingo or any device that is activated by the insertion of a coin, currency, token, or an equivalent, and that contains as one of its components a video display monitor that is capable of displaying numbers, letters, symbols, or characters in winning or losing combinations.~~

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

~~(CC) "Raffle" means a form of bingo in which the one or more prizes are won by one or more persons who have purchased a raffle ticket. The one or more winners of the raffle are~~

~~determined by drawing a ticket stub or other detachable section from a receptacle containing ticket stubs or detachable sections corresponding to all tickets sold for the raffle. "Raffle" does not include the drawing of a ticket stub or other detachable section of a ticket purchased to attend a professional sporting event if both of the following apply:~~

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

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

~~(DD) "Punch board" means a form of instant bingo that uses a board containing a number of holes or receptacles of uniform size in which are placed, mechanically and randomly, serially numbered slips of paper that may be punched or drawn from the hole or receptacle. A player may punch or draw the numbered slips of paper from the holes or receptacles and obtain the prize established for the game if the number drawn corresponds to a winning number or, if the punch board includes the use of a seal card, a potential winning number.~~

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

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

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

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

~~(2) The annual license fee required under section 2915.08~~

~~of the Revised Code;~~

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

~~(4) Audits and accounting services;~~

~~(5) Safes;~~

~~(6) Cash registers;~~

~~(7) Hiring security personnel;~~

~~(8) Advertising bingo;~~

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

~~(10) Tables and chairs;~~

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

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

~~(13) Any other product or service directly related to the conduct of bingo that is authorized in rules adopted by the attorney general under division (F)(1) of section 2915.08 of the Revised Code.~~

~~(HH)~~ (J) "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.

~~(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.~~

~~(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.~~

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

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

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

~~(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.~~

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

~~(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.~~

~~(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.~~

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

~~(PP) "Deal" means a single game of instant bingo tickets, or a single game of electronic instant bingo tickets, all with the same serial number.~~

~~(QQ)(1)~~ (K)(1) "Slot machine" means either of the following:

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

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

(2) "Slot machine" does not include a skill-based amusement machine, an instant bingo ticket dispenser, ~~or~~ an electronic instant bingo system, or an internet gambling system authorized under Chapter 3771. of the Revised Code.

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

~~conducted.~~

~~(SS) "Charitable instant bingo organization" means an organization that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code and is a charitable organization as defined in this section. A "charitable instant bingo organization" does not include a charitable organization that is exempt from federal income 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, a fraternal organization, or a sporting organization in regards to bingo conducted or assisted by a veteran's organization, a fraternal organization, or a sporting organization pursuant to section 2915.13 of the Revised Code.~~

~~(TT) "Game flare" means the board or placard, or electronic representation of a board or placard, that accompanies each deal of instant bingo or electronic instant bingo tickets and that includes the following information for the game:~~

~~(1) The name of the game;~~

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

~~(3) The form number;~~

~~(4) The ticket count;~~

~~(5) The prize structure, including the number of winning tickets by denomination and the respective winning symbol or number combinations for the winning tickets;~~

~~(6) The cost per play;~~

~~(7) The serial number of the game.~~

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

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

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

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

~~(d) Any redeemable vouchers or merchandise prizes are distributed at the site of the skill-based amusement machine at the time of play~~ has the same meaning as in section 3777.01 of the Revised Code.

~~A card for the purchase of gasoline is a redeemable voucher for purposes of division (UU)(1) of this section even if the skill-based amusement machine for the play of which the card is awarded is located at a place where gasoline may not be legally distributed to the public or the card is not redeemable at the location of, or at the time of playing, the skill-based amusement machine.~~

~~(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:~~

~~(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.~~

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

~~(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.~~

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

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

~~(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.~~

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

~~(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.~~

~~(b) Advance play for a single game, play, contest, competition, or tournament participation may be purchased. The cost of the contest, competition, or tournament participation may be greater than a single noncontest, competition, or tournament play.~~

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

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

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

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

~~(2) Plays on games of chance, state lottery tickets, or bingo;~~

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

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

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

~~(XX)~~ (M) "Pool not conducted for profit" means a scheme in

which a participant gives a valuable consideration for a chance to win a prize and the total amount of consideration wagered is distributed to a participant or participants.

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

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

~~(AAA)(1) "Sweepstakes terminal device" means a mechanical, video, digital, or electronic machine or device that is owned, leased, or otherwise possessed by any person conducting a sweepstakes, or by that person's partners, affiliates, subsidiaries, or contractors, that is intended to be used by a sweepstakes participant, and that is capable of displaying information on a screen or other mechanism. A device is a sweepstakes terminal device if any of the following apply:~~

~~(a) The device uses a simulated game terminal as a representation of the prizes associated with the results of the sweepstakes entries.~~

~~(b) The device utilizes software such that the simulated game influences or determines the winning of or value of the prize.~~

~~(c) The device selects prizes from a predetermined finite pool of entries.~~

~~(d) The device utilizes a mechanism that reveals the~~

~~content of a predetermined sweepstakes entry.~~

~~(e) The device predetermines the prize results and stores those results for delivery at the time the sweepstakes entry results are revealed.~~

~~(f) The device utilizes software to create a game result.~~

~~(g) The device reveals the prize incrementally, even though the device does not influence the awarding of the prize or the value of any prize awarded.~~

~~(h) The device determines and associates the prize with an entry or entries at the time the sweepstakes is entered.~~

~~(2) As used in this division and in section 2915.02 of the Revised Code:~~

~~(a) "Enter" means the act by which a person becomes eligible to receive any prize offered in a sweepstakes.~~

~~(b) "Entry" means one event from the initial activation of the sweepstakes terminal device until all the sweepstakes prize results from that activation are revealed.~~

~~(c) "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.~~

~~(d) "Sweepstakes terminal device facility" means any location in this state where a sweepstakes terminal device is provided to a sweepstakes participant, except as provided in division (G) of section 2915.02 of the Revised Code.~~

~~(BBB) "Sweepstakes" means any game, contest, advertising~~

~~scheme or plan, or other promotion where consideration is not required for a person to enter to win or become eligible to receive any prize, the determination of which is based upon chance. "Sweepstakes" does not include bingo as authorized under this chapter, pari-mutuel wagering as authorized by Chapter 3769. of the Revised Code, lotteries conducted by the state lottery commission as authorized by Chapter 3770. of the Revised Code, and casino gaming as authorized by Chapter 3772. of the Revised Code.~~

~~(CCC)(1) "Electronic instant bingo" means a form of bingo that consists of an electronic or digital representation of instant bingo in which a participant wins a prize if the participant's electronic instant bingo ticket contains a combination of numbers or symbols that was designated in advance as a winning combination, and to which all of the following apply:~~

~~(a) Each deal has a predetermined, finite number of winning and losing tickets and a predetermined prize amount and deal structure, provided that there may be multiple winning combinations in each deal and multiple winning tickets.~~

~~(b) Each electronic instant bingo ticket within a deal has a unique serial number that is not regenerated.~~

~~(c) Each electronic instant bingo ticket within a deal is sold for the same price.~~

~~(d) After a participant purchases an electronic instant bingo ticket, the combination of numbers or symbols on the ticket is revealed to the participant.~~

~~(e) The reveal of numbers or symbols on the ticket may incorporate an entertainment or bonus theme, provided that the~~

~~reveal does not include spinning reels that resemble a slot machine.~~

~~(f) The reveal theme, if any, does not require additional consideration or award any prize other than any predetermined prize associated with the electronic instant bingo ticket.~~

~~(2) "Electronic instant bingo" shall not include any of the following:~~

~~(a) Any game, entertainment, or bonus theme that replicates or simulates any of the following:~~

~~(i) The gambling games of keno, blackjack, roulette, poker, craps, other casino-style table games;~~

~~(ii) Horse racing;~~

~~(iii) Gambling games offered in this state on slot machines or video lottery terminals. As used in this division, "video lottery terminal" has the same meaning as in section 3770.21 of the Revised Code.~~

~~(b) Any device operated by dropping one or more coins or tokens into a slot and pulling a handle or pushing a button or touchpoint on a touchscreen to activate one to three or more rotating reels marked into horizontal segments by varying symbols, where the predetermined prize amount depends on how and how many of the symbols line up when the rotating reels come to a rest;~~

~~(c) Any device that includes a coin or token slot, tray, or hopper and the ability to dispense coins, cash, tokens, or anything of value other than a credit ticket voucher.~~

~~(DDD) "Electronic instant bingo system" means both of the following:~~

~~(1) A mechanical, electronic, digital, or video device and associated software to which all of the following apply:~~

~~(a) It is used by not more than one player at a time to play electronic instant bingo on a single screen that is physically connected to the device;~~

~~(b) It is located on the premises of the principal place of business of a veteran's or fraternal organization that holds a type II or type III bingo license to conduct electronic instant bingo at that location issued under section 2915.08 of the Revised Code.~~

~~(2) Any associated equipment or software used to manage, monitor, or document any aspect of electronic instant bingo.~~

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

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

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

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

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

(5) ~~Conduct, or participate in the conduct of, a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility and either:~~

~~(a) Give to another person any item described in division (VV)(1), (2), (3), or (4) of section 2915.01 of the Revised Code as a prize for playing or participating in a sweepstakes; or~~

~~(b) Give to another person any merchandise prize, or a redeemable voucher for a merchandise prize, the wholesale value of which is in excess of ten dollars and which is awarded as a single entry for playing or participating in a sweepstakes. Redeemable vouchers shall not be redeemable for a merchandise prize that has a wholesale value of more than ten dollars.~~

~~(6) Conduct, or participate in the conduct of, a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility without first obtaining a current annual "certificate of registration" from the attorney general as required by division (F) of this section;~~

~~(7)~~ With purpose to violate division (A)(1), (2), (3), or (4)~~, (5), or (6)~~ of this section or division (A)(1) or (2) of section 3777.02 of the Revised Code, acquire, possess, control, or operate any gambling device.

(B) For purposes of division (A)(1) of this section, a person facilitates bookmaking if the person in any way knowingly aids an illegal bookmaking operation, including, without limitation, placing a bet with a person engaged in or facilitating illegal bookmaking. For purposes of division (A)(2) of this section, a person facilitates a game of chance conducted for profit or a scheme of chance if the person in any way knowingly aids in the conduct or operation of any such game or scheme, including, without limitation, playing any such game or scheme.

(C) This section does not prohibit conduct in connection

with gambling expressly permitted by law.

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

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

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

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

~~(c) The games of chance are conducted at festivals of the charitable organization that are conducted not more than a total of five days a calendar year, and are conducted on premises owned by the charitable organization for a period of no less than one year immediately preceding the conducting of the games of chance, on premises leased from a governmental unit, or on premises that are leased from a veteran's or fraternal organization and that have been owned by the lessor veteran's or fraternal organization for a period of no less than one year immediately preceding the conducting of the games of chance.~~

~~A charitable organization shall not lease premises from a veteran's or fraternal organization to conduct a festival described in division (D)(1)(c) of this section if the veteran's or fraternal organization already has leased the premises twelve times during the preceding year to charitable organizations for that purpose. If a charitable organization leases premises from a veteran's or fraternal organization to conduct a festival~~

~~described in division (D)(1)(c) of this section, the charitable organization shall not pay a rental rate for the premises per day of the festival that exceeds the rental rate per bingo session that a charitable organization may pay under division (B)(1) of section 2915.09 of the Revised Code when it leases premises from another charitable organization to conduct bingo games.~~

~~(d) All of the money or assets received from the games of chance after deduction only of prizes paid out during the conduct of the games of chance are used by, or given, donated, or otherwise transferred to, 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;~~

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

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

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

~~(3)~~ (2) Bingo or games of chance conducted by a charitable organization ~~that holds a license issued under section 2915.08~~ in accordance with Chapter 3768. of the Revised Code.

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

~~(F) Any person desiring to conduct, or participate in the conduct of, a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility shall first register with the office of the attorney general and obtain an annual certificate of registration by providing a filing fee of two hundred dollars and all information as required by rule adopted under division (H) of this section. Not later than the tenth day of each month, each sweepstakes terminal device operator shall file a sweepstakes terminal device monthly report with the attorney general and provide a filing fee of fifty dollars and all information required by rule adopted under division (H) of this section. All information provided to the attorney general under this division shall be available to law enforcement upon request.~~

~~(G) A person may apply to the attorney general, on a form prescribed by the attorney general, for a certificate of compliance that the person is not operating a sweepstakes terminal device facility. The form shall require the person to include the address of the business location where sweepstakes terminal devices will be used and to make the following certifications:~~

~~(1) That the person will not use more than two sweepstakes terminal devices at the business location;~~

~~(2) That the retail value of sweepstakes prizes to be awarded at the business location using sweepstakes terminal~~

~~devices during a reporting period will be less than three per cent of the gross revenue received at the business location during the reporting period;~~

~~(3) That no other form of gaming except lottery ticket sales as authorized under Chapter 3770. of the Revised Code will be conducted at the business location or in an adjoining area of the business location;~~

~~(4) That any sweepstakes terminal device at the business location will not allow any deposit of any money, coin, or token, or the use of any credit card, debit card, prepaid card, or any other method of similar payment to be used, directly or indirectly, to participate in a sweepstakes;~~

~~(5) That notification of any prize will not take place on the same day as a participant's sweepstakes entry; and~~

~~(6) That the person consents to provide any other information to the attorney general as required by rule adopted under division (H) of this section.~~

~~The filing fee for a certificate of compliance is two hundred fifty dollars. The attorney general may charge up to an additional two hundred fifty dollars for reasonable expenses resulting from any investigation related to an application for a certificate of compliance.~~

~~A certificate of compliance is effective for one year. The certificate holder may reapply for a certificate of compliance. A person issued a certificate of compliance shall file semiannual reports with the attorney general stating the number of sweepstakes terminal devices at the business location and that the retail value of prizes awarded at the business location using sweepstakes terminal devices is less than three per cent~~

~~of the gross revenue received at the business location.~~

~~(H) The attorney general shall adopt rules setting forth:~~

~~(1) The required information to be submitted by persons conducting a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility as described in division (F) of this section; and~~

~~(2) The requirements pertaining to a certificate of compliance under division (G) of this section, which shall provide for a person to file a consolidated application and a consolidated semiannual report if a person has more than one business location.~~

~~The attorney general shall issue a certificate of registration or a certificate of compliance to all persons who have successfully satisfied the applicable requirements of this section. The attorney general shall post online a registry of all properly registered and certified sweepstakes terminal device operators.~~

~~(I) The attorney general may refuse to issue an annual certificate of registration or certificate of compliance to any person or, if one has been issued, the attorney general may revoke a certificate of registration or a certificate of compliance if the applicant has provided any information to the attorney general as part of a registration, certification, monthly report, semiannual report, or any other information that is materially false or misleading, or if the applicant or any officer, partner, or owner of five per cent or more interest in the applicant has violated any provision of this chapter.~~

~~(J)~~ The attorney general may take any necessary and reasonable action to determine a violation of this chapter,

including requesting documents and information, performing inspections of premises, or requiring the attendance of any person at an examination under oath.

~~(K)~~ (F) Whoever violates this section is guilty of gambling, a misdemeanor of the first degree. If the offender previously has been convicted of any gambling offense, gambling is a felony of the fifth degree. ~~Notwithstanding this division, failing to file a sweepstakes terminal device monthly report as required by division (F) of this section or the semiannual report required by division (C) of this section is a misdemeanor of the first degree.~~

Sec. 2923.121. (A) No person shall possess a firearm in any room in which any person is consuming beer or intoxicating liquor in a premises for which a D permit has been issued under Chapter 4303. of the Revised Code or in an open air arena for which a permit of that nature has been issued.

(B)(1) This section does not apply to any of the following:

(a) An officer, agent, or employee of this or any other state or the United States, or a law enforcement officer, who is authorized to carry firearms and is acting within the scope of the officer's, agent's, or employee's duties;

(b) A law enforcement officer or investigator who is authorized to carry firearms but is not acting within the scope of the officer's or investigator's duties, as long as all of the following apply:

(i) The officer or investigator is carrying validating identification.

(ii) If the firearm the officer or investigator possesses

is a firearm issued or approved by the law enforcement agency served by the officer or by the bureau of criminal identification and investigation with respect to an investigator, the agency or bureau does not have a restrictive firearms carrying policy.

(iii) The officer or investigator is not consuming beer or intoxicating liquor and is not under the influence of alcohol or a drug of abuse.

(c) Any room used for the accommodation of guests of a hotel, as defined in section 4301.01 of the Revised Code;

(d) The principal holder of a D permit issued for a premises or an open air arena under Chapter 4303. of the Revised Code while in the premises or open air arena for which the permit was issued if the principal holder of the D permit also has been issued a concealed handgun license that is valid at the time in question and as long as the principal holder is not consuming beer or intoxicating liquor or under the influence of alcohol or a drug of abuse, or any agent or employee of that holder who also is a peace officer, as defined in section 2151.3515 of the Revised Code, who is off duty, and who otherwise is authorized to carry firearms while in the course of the officer's official duties and while in the premises or open air arena for which the permit was issued and as long as the agent or employee of that holder is not consuming beer or intoxicating liquor or under the influence of alcohol or a drug of abuse.

(e) Any person who has been issued a concealed handgun license that is valid at the time in question or any person who is an active duty member of the armed forces of the United States and is carrying a valid military identification card and

documentation of successful completion of firearms training that meets or exceeds the training requirements described in division (G)(1) of section 2923.125 of the Revised Code, as long as the person is not consuming beer or intoxicating liquor or under the influence of alcohol or a drug of abuse.

(2) This section does not prohibit any person who is a member of a veteran's organization, as defined in section ~~2915.01~~ 3768.01 of the Revised Code, from possessing a rifle in any room in any premises owned, leased, or otherwise under the control of the veteran's organization, if the rifle is not loaded with live ammunition and if the person otherwise is not prohibited by law from having the rifle.

(3) This section does not apply to any person possessing or displaying firearms in any room used to exhibit unloaded firearms for sale or trade in a soldiers' memorial established pursuant to Chapter 345. of the Revised Code, in a convention center, or in any other public meeting place, if the person is an exhibitor, trader, purchaser, or seller of firearms and is not otherwise prohibited by law from possessing, trading, purchasing, or selling the firearms.

(C) It is an affirmative defense to a charge under this section of illegal possession of a firearm in a liquor permit premises that involves the possession of a firearm other than a handgun, that the actor was not otherwise prohibited by law from having the firearm, and that any of the following apply:

(1) The firearm was carried or kept ready at hand by the actor for defensive purposes, while the actor was engaged in or was going to or from the actor's lawful business or occupation, which business or occupation was of such character or was necessarily carried on in such manner or at such a time or place

as to render the actor particularly susceptible to criminal attack, such as would justify a prudent person in going armed.

(2) The firearm was carried or kept ready at hand by the actor for defensive purposes, while the actor was engaged in a lawful activity, and had reasonable cause to fear a criminal attack upon the actor or a member of the actor's family, or upon the actor's home, such as would justify a prudent person in going armed.

(D) No person who is charged with a violation of this section shall be required to obtain a concealed handgun license as a condition for the dismissal of the charge.

(E) Whoever violates this section is guilty of illegal possession of a firearm in a liquor permit premises. Except as otherwise provided in this division, illegal possession of a firearm in a liquor permit premises is a felony of the fifth degree. If the offender commits the violation of this section by knowingly carrying or having the firearm concealed on the offender's person or concealed ready at hand, illegal possession of a firearm in a liquor permit premises is a felony of the third degree.

(F) As used in this section:

(1) "Beer" and "intoxicating liquor" have the same meanings as in section 4301.01 of the Revised Code.

(2) "Investigator" has the same meaning as in section 109.541 of the Revised Code.

(3) "Restrictive firearms carrying policy" means a specific policy of a law enforcement agency or the bureau of criminal identification and investigation that prohibits all officers of the agency or all investigators of the bureau, while

not acting within the scope of the officer's or investigator's duties, from doing either of the following:

(a) Carrying a firearm issued or approved by the agency or bureau in any room, premises, or arena described in division (A) of this section;

(b) Carrying a firearm issued or approved by the agency or bureau in premises described in division (A) of section 2923.1214 of the Revised Code.

(4) "Law enforcement officer" has the same meaning as in section 9.69 of the Revised Code.

(5) "Validating identification" means one of the following:

(a) Photographic identification issued by the law enforcement agency for which an individual serves as a law enforcement officer that identifies the individual as a law enforcement officer of the agency;

(b) Photographic identification issued by the bureau of criminal identification and investigation that identifies an individual as an investigator of the bureau.

Sec. 2927.21. (A) As used in this section:

(1) "Offense subject to forfeiture proceedings" means any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.05, 2903.06, 2903.08, 2903.09, 2903.11, 2903.12, 2903.13, 2903.14, 2903.15, 2903.16, 2903.21, or 2903.211 of the Revised Code;

(b) A violation of section 2905.01, 2905.02, 2905.03,

2905.05, 2905.11, 2905.32, or 2905.33 of the Revised Code;

(c) A violation of section 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.19, 2907.21, 2907.22, 2907.321, 2907.322, or 2907.323 of the Revised Code;

(d) A violation of section 2909.02, 2909.03, 2909.22, 2909.23, 2909.24, 2909.26, 2909.27, 2909.28, or 2909.29 of the Revised Code;

(e) A violation of section 2911.01, 2911.02, 2911.11, 2911.12, or 2911.13 of the Revised Code;

(f) A violation of section 2915.02, 2915.03, 2915.04, ~~or~~ 2915.05, or 3777.02 of the Revised Code;

(g) A violation of section 2921.02, 2921.03, 2921.04, 2921.05, 2921.11, 2921.12, or 2921.41 of the Revised Code;

(h) A violation of section 2925.02, 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.09, or 2925.11 of the Revised Code;

(i) A conspiracy or attempt to commit, or complicity in committing, any offense under division (A)(1)(a), (b), (c), (d), (e), (f), (g), or (h) of this section.

(2) "Proceeds" has the same meaning as in section 2981.01 of the Revised Code.

(3) "Vehicle" has the same meaning as in section 4501.01 of the Revised Code.

(B) No person shall receive, retain, possess, or dispose of proceeds knowing or having reasonable cause to believe that the proceeds were derived from the commission of an offense subject to forfeiture proceedings.

(C) It is not a defense to a charge of receiving proceeds of an offense subject to forfeiture proceedings in violation of this section that the proceeds were derived by means other than the commission of an offense subject to forfeiture proceedings if the property was explicitly represented to the accused person as having been derived from the commission of an offense subject to forfeiture proceedings.

(D) A person shall be considered to have received, retained, possessed, or disposed of proceeds if the proceeds are found anywhere in a vehicle and the person was the last person who operated the vehicle immediately prior to the search of the vehicle by the law enforcement officer who found the proceeds.

(E) Whoever violates this section is guilty of receiving proceeds of an offense subject to forfeiture proceedings. If the value of the proceeds involved is less than one thousand dollars, receiving proceeds of an offense subject to forfeiture proceedings is a misdemeanor of the first degree. If the value of the proceeds involved is one thousand dollars or more and is less than twenty-five thousand dollars, receiving proceeds of an offense subject to forfeiture proceedings is a felony of the fifth degree. If the value of the proceeds involved is twenty-five thousand dollars or more and is less than one hundred fifty thousand dollars, receiving proceeds of an offense subject to forfeiture proceedings is a felony of the fourth degree. If the value of the proceeds involved is one hundred fifty thousand dollars or more, receiving proceeds of an offense subject to forfeiture proceedings is a felony of the third degree.

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

(A) "Wire communication" means an aural transfer that is

made in whole or in part through the use of facilities for the transmission of communications by the aid of wires or similar methods of connecting the point of origin of the communication and the point of reception of the communication, including the use of a method of connecting the point of origin and the point of reception of the communication in a switching station, if the facilities are furnished or operated by a person engaged in providing or operating the facilities for the transmission of communications. "Wire communication" includes an electronic storage of a wire communication.

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

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

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

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

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

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

(c) Being used by a provider of wire or electronic communication service in the ordinary course of its business or by an investigative or law enforcement officer in the ordinary course of the officer's duties that do not involve the interception of wire, oral, or electronic communications.

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

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

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

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

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

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

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

(F) "Interception warrant" means a court order that authorizes the interception of wire, oral, or electronic

communications and that is issued pursuant to sections 2933.53 to 2933.56 of the Revised Code.

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

(H) "Communications common carrier" means a person who is engaged as a common carrier for hire in intrastate, interstate, or foreign communications by wire, radio, or radio transmission of 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 3777.02 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.

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

(M) "Journalist" means a person engaged in, connected with, or employed by, any news media, including a newspaper, magazine, press association, news agency, or wire service, a radio or television station, or a similar media, for the purpose

of gathering, processing, transmitting, compiling, editing, or disseminating news for the general public.

(N) "Electronic communication" means a transfer of a sign, signal, writing, image, sound, datum, or intelligence of any nature that is transmitted in whole or in part by a wire, radio, electromagnetic, photoelectronic, or photo-optical system. "Electronic communication" does not mean any of the following:

(1) A wire or oral communication;

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

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

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

(P) "Electronic communications system" means a wire, radio, electromagnetic, photoelectronic, or photo-optical facility for the transmission of electronic communications, and a computer facility or related electronic equipment for the electronic storage of electronic communications.

(Q) "Electronic communication service" means a service that provides to users of the service the ability to send or receive wire or electronic communications.

(R) "Readily accessible to the general public" means, with respect to a radio communication, that the communication is none of the following:

(1) Scrambled or encrypted;

(2) Transmitted using a modulation technique, the essential parameters of which have been withheld from the public with the intention of preserving the privacy of the communication;

(3) Carried on a subcarrier or other signal subsidiary to a radio transmission;

(4) Transmitted over a communications system provided by a communications common carrier, unless the communication is a tone-only paging system communication;

(5) Transmitted on a frequency allocated under part 25, subpart D, E, or F of part 74, or part 94 of the Rules of the Federal Communications Commission, as those provisions existed on July 1, 1996, unless, in the case of a communication transmitted on a frequency allocated under part 74 that is not exclusively allocated to broadcast auxiliary services, the communication is a two-way voice communication by radio.

(S) "Electronic storage" means a temporary, intermediate storage of a wire or electronic communication that is incidental to the electronic transmission of the communication, and a storage of a wire or electronic communication by an electronic communication service for the purpose of backup protection of the communication.

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

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

attached.

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

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

(X) "Electronic user data" means any data or records that are stored, collected, used, or safeguarded by a service or program that stores electronic data. This includes data stored on a computer, computer network, or computer system.

(Y) "Remote computing service" means the provision of computer storage or processing services to the public through an electronic communication service.

Sec. 3123.89. (A) The department of job and family services shall develop and implement a real time data match program with the state lottery commission and its lottery sales agents and lottery agents to identify obligors who are subject to a final and enforceable determination of default made under sections 3123.01 to 3123.07 of the Revised Code.

(B) Upon the data match program's implementation, the department, in consultation with the commission, shall

promulgate rules to facilitate withholding, in appropriate circumstances and in accordance with section 3770.071 of the Revised Code, by the commission or its lottery sales agents or lottery agents of an amount sufficient to satisfy any past due support owed by an obligor from a lottery prize award owed to the obligor up to the amount of the award. The rules shall describe an expedited method for withholding, and the time frame for transmission of the amount withheld to the department.

(C) As used in this section, "lottery prize award" has the same meaning as in section ~~3770.10~~ 3770.01 of the Revised Code.

Sec. 3123.90. (A) As used in this section:

(1) "Permit holder" has the same meaning as in section 3769.01 of the Revised Code.

(2) "Video lottery sales agent" has the same meaning as in section 3770.01 of the Revised Code.

(3) "Internet gambling operator" has the same meaning as in section 3771.01 of the Revised Code.

(4) "Casino facility," "casino operator," and "management company" have the meanings defined in section 3772.01 of the Revised Code.

~~(2)~~ (5) "Sports gaming proprietor" ~~has~~ and "type C sports gaming proprietor" have the ~~meaning defined~~ same meanings as in section 3775.01 of the Revised Code.

(B) The department of job and family services shall develop and implement a real time data match program with each ~~casino facility's casino operator or management company and with each sports gaming proprietor~~ of the following persons to identify obligors who are subject to a final and enforceable

determination of default made under sections 3123.01 to 3123.07 of the Revised Code:

(1) A permit holder, with respect to winnings from pari-mutuel wagering on horse racing;

(2) A video lottery sales agent, with respect to winnings from a video lottery terminal;

(3) An internet gambling operator, with respect to winnings from internet gambling;

(4) A casino operator or management company, with respect to casino winnings;

(5) A sports gaming proprietor, with respect to winnings from sports gaming, except as otherwise provided regarding a type C sports gaming proprietor by rule of the state lottery commission adopted under section 3770.03 of the Revised Code.

(C) Upon the data match program's implementation, if a ~~person~~ patron receives a payout of winnings ~~at a casino facility or from sports gaming~~ described in division (B) of this section in an amount for which reporting to the internal revenue service of the amount is required by section 6041 of the Internal Revenue Code, as amended, the ~~casino operator, management company, or sports gaming proprietor~~ applicable person described in division (B) of this section shall refer to the data match program to determine if the person entitled to the winnings is in default under a support order. If the data match program indicates that the person is in default, the ~~casino operator, management company, or sports gaming proprietor~~ applicable person described in division (B) of this section shall withhold from the person's winnings an amount sufficient to satisfy any past due support owed by the obligor identified in the data

match up to the amount of the winnings.

(D) Not later than fourteen days after withholding the amount, the ~~casino operator, management company, or sports gaming proprietor~~ person conducting the withholding shall electronically transmit any amount withheld to the department as payment on the support obligation.

(E) The department, in consultation with the Ohio casino control commission, may adopt rules under Chapter 119. of the Revised Code as are necessary for implementation of this section.

Sec. 3517.091. (A) Except as otherwise provided in division (E) of this section, any person or organization that makes door-to-door solicitations for contributions to influence legislation, for contributions to influence the actions of any regulatory agency, or for contributions to support or oppose the campaign of any candidate for political office shall report in writing to the secretary of state by the thirty-first day of July of each year with regard to actions taken during the first six months of that calendar year, and by the thirty-first day of January of each year with regard to actions taken during the second six months of the previous calendar year, all of the following:

(1) The name and address of the solicitor and of the organization, if any, for which the solicitation is made, and the name and address of the organization's director or chief executive officer;

(2) The name and address of each person or organization from which it received one or more contributions, and the amount and date of each such contribution;

(3) A complete list of all receipts and expenditures it has made to influence legislation, to influence the actions of any regulatory agency, or to support or oppose the campaign of any candidate for political office.

(B) Before making any solicitation described in division (A) of this section, the solicitor shall give the person being solicited a written notice that contains all of the following:

(1) The information described in division (A)(1) of this section;

(2) A list of any purposes for which money contributed might be used;

(3) The amount of compensation, if any, being paid to the solicitor;

(4) A statement that the person being solicited may refuse to make a contribution without suffering any reprisal.

(C) No person or organization shall fail to comply with the requirements of division (A) or (B) of this section.

(D) This section does not apply to the solicitation activities of any charitable organization as defined in ~~division (H) of~~ section ~~2915.01~~ 3768.01 of the Revised Code.

Sec. 3763.01. (A) All promises, agreements, notes, bills, bonds, or other contracts, mortgages, or other securities, when the whole or part of the consideration thereof is for money or other valuable thing won or lost, laid, staked, or betted at or upon a game of any kind, or upon a horse race or cockfights, sport or pastime, or on a wager, or for the repayment of money lent or advanced at the time of a game, play, or wager, for the purpose of being laid, betted, staked, or wagered, are void.

(B) Sections 3763.01 to 3763.08 of the Revised Code do not apply to bingo as defined in section ~~2915.01~~ 3768.01 of the Revised Code or to any game of chance that is not subject to criminal penalties under section 2915.02 of the Revised Code.

Sec. 3768.01. As used in this chapter:

(A) "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 sheets that correspond to combinations of letters and numbers that are announced by a bingo game operator.

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

(d) The winner of the bingo game includes any participant who properly announces during the interval between the announcements of letters and numbers as described in division (A)(1)(c) of this section, that a predetermined and preannounced

pattern of spaces has been covered on a bingo card or sheet being used by the participant.

(2) Instant bingo, electronic instant bingo, and raffles.

(B) "Bingo game operator" means any person, except security personnel, who performs work or labor at the site of bingo, including, but not limited to, collecting money from participants, handing out bingo cards or sheets or objects to cover spaces on bingo cards or sheets, selecting from a receptacle the objects that contain the combination of letters and numbers that appear on bingo cards or sheets, calling out the combinations of letters and numbers, distributing prizes, selling or redeeming instant bingo tickets or cards, selling or redeeming electronic instant bingo tickets, credits, or vouchers, accessing an electronic instant bingo system other than as a participant, supervising the operation of a punch board, selling raffle tickets, selecting raffle tickets from a receptacle and announcing the winning numbers in a raffle, and preparing, selling, and serving food or beverages. "Bingo game operator" does not include a person who is installing, maintaining, updating, or repairing an electronic instant bingo system.

(C) "Bingo session" means a period that includes both of the following:

(1) Not to exceed five continuous hours for the conduct of one or more games described in division (A)(1) of this section, instant bingo, and electronic instant bingo;

(2) A period for the conduct of instant bingo and electronic instant bingo for not more than two hours before and not more than two hours after the period described in division

(C)(1) of this section.

(D) "Bingo supplies" means bingo cards or sheets; instant bingo tickets or cards; electronic bingo aids; raffle tickets; punch boards; seal cards; instant bingo ticket dispensers; electronic instant bingo systems; and devices for selecting or displaying the combination of bingo letters and numbers or raffle tickets. Items that are "bingo supplies" are not gambling devices, as defined in section 2915.01 of the Revised Code, if sold or otherwise provided, and used, in accordance with this chapter. For purposes of this chapter, "bingo supplies" are not to be considered equipment used to conduct a bingo game.

(E) "Charitable bingo game" means any bingo game described in division (A)(1) or (2) of this section that is conducted by a charitable organization that has obtained a license pursuant to section 3768.04 of the Revised Code and the proceeds of which are used for a charitable purpose.

(F) "Charitable instant bingo organization" means an organization that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code and is a charitable organization as defined in this section. A "charitable instant bingo organization" does not include a charitable organization that is exempt from federal income 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, a fraternal organization, or a sporting organization in regards to bingo conducted or assisted by a veteran's organization, a fraternal organization, or a sporting organization pursuant to section 3768.10 of the Revised Code.

(G) "Charitable gaming" means bingo or games of chance

conducted under this chapter.

(H)(1) Except as otherwise provided in this chapter, "charitable organization" means either of the following:

(a) An organization that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code;

(b) A volunteer rescue service organization, volunteer firefighter's organization, veteran's organization, fraternal organization, or sporting organization that is exempt from federal income taxation under subsection 501(c)(4), (c)(7), (c)(8), (c)(10), or (c)(19) of the Internal Revenue Code.

(2) To qualify as a "charitable organization," an organization shall have been in continuous existence as such in this state for a period of two years immediately preceding either the making of an application for a bingo license under section 3768.04 of the Revised Code or the conducting of any game of chance as provided in section 3768.03 of the Revised Code.

(I) "Charitable purpose" means that the net profit of bingo, other than instant bingo or electronic 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 profit exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, if contributions for such use would qualify as a deductible charitable contribution under subsection 170 of the Internal Revenue Code;

(4) A volunteer firefighter's organization that uses the net profit for the purposes set forth in division (OO) of this section.

(J) "Commission" means the Ohio casino control commission established under section 3772.02 of the Revised Code.

(K) "Community action agency" has the same meaning as in section 122.66 of the Revised Code.

(L) "Conduct" means to back, promote, organize, manage, carry on, sponsor, or prepare for the operation of bingo or a game of chance.

(M) "Deal" means a single game of instant bingo tickets, or a single game of electronic instant bingo tickets, all with the same serial number.

(N) "Distributor" means any person who purchases or obtains bingo supplies and who does either of the following:

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

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

(O)(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.

(2) "Electronic bingo aid" does not include any device

into which a coin, currency, token, or an equivalent is inserted to activate play.

(P)(1) "Electronic instant bingo" means a form of bingo that consists of an electronic or digital representation of instant bingo in which a participant wins a prize if the participant's electronic instant bingo ticket contains a combination of numbers or symbols that was designated in advance as a winning combination, and to which all of the following apply:

(a) Each deal has a predetermined, finite number of winning and losing tickets and a predetermined prize amount and deal structure, provided that there may be multiple winning combinations in each deal and multiple winning tickets.

(b) Each electronic instant bingo ticket within a deal has a unique serial number that is not regenerated.

(c) Each electronic instant bingo ticket within a deal is sold for the same price.

(d) After a participant purchases an electronic instant bingo ticket, the combination of numbers or symbols on the ticket is revealed to the participant.

(e) The reveal of numbers or symbols on the ticket may incorporate an entertainment or bonus theme, provided that the reveal does not include spinning reels that resemble a slot machine.

(f) The reveal theme, if any, does not require additional consideration or award any prize other than any predetermined prize associated with the electronic instant bingo ticket.

(2) "Electronic instant bingo" shall not include any of

the following:

(a) Any game, entertainment, or bonus theme that replicates or simulates any of the following:

(i) The gambling games of keno, blackjack, roulette, poker, craps, or other casino-style table games;

(ii) Horse racing;

(iii) Gambling games offered in this state on slot machines or video lottery terminals. As used in this division, "video lottery terminal" has the same meaning as in section 3770.01 of the Revised Code.

(b) Any device operated by dropping one or more coins or tokens into a slot and pulling a handle or pushing a button or touchpoint on a touchscreen to activate one to three or more rotating reels marked into horizontal segments by varying symbols, where the predetermined prize amount depends on how and how many of the symbols line up when the rotating reels come to a rest;

(c) Any device that includes a coin or token slot, tray, or hopper and the ability to dispense coins, cash, tokens, or anything of value other than a credit ticket voucher.

(Q) "Electronic instant bingo system" means both of the following:

(1) A mechanical, electronic, digital, or video device and associated software to which all of the following apply:

(a) It is used by not more than one player at a time to play electronic instant bingo on a single screen that is physically connected to the device;

(b) It is located on the premises of the principal place of business of a veteran's or fraternal organization that holds a type II or type III bingo license to conduct electronic instant bingo at that location issued under section 3768.04 of the Revised Code.

(2) Any associated equipment or software used to manage, monitor, or document any aspect of electronic instant bingo.

(R) "Expenses" means the reasonable amount of gross profit actually expended for all of the following:

(1) The purchase or lease of bingo supplies;

(2) The annual license fee required under section 3768.04 of the Revised Code;

(3) Bank fees and service charges for a bingo session or game account described in section 3768.14 of the Revised Code;

(4) Audits and accounting services;

(5) Safes;

(6) Cash registers;

(7) Hiring security personnel;

(8) Advertising bingo;

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

(10) Tables and chairs;

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

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

(13) Any other product or service directly related to the conduct of bingo that is authorized in rules adopted by the commission under division (F)(1) of section 3768.04 of the Revised Code.

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

(T) "Gambling offense" and "game of chance" have the same meanings as in section 2915.01 of the Revised Code.

(U) "Game flare" means the board or placard, or electronic representation of a board or placard, that accompanies each deal of instant bingo or electronic instant bingo tickets and that includes the following information for the game:

(1) The name of the game;

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

(3) The form number;

(4) The ticket count;

(5) The prize structure, including the number of winning tickets by denomination and the respective winning symbol or number combinations for the winning tickets;

(6) The cost per play;

(7) The serial number of the game.

(V) "Gross annual revenues" means the annual gross receipts derived from the conduct of bingo described in division (A)(1) of this section plus the annual net profit derived from the conduct of bingo described in division (A)(2) of this section.

(W) "Gross profit" means gross receipts minus the amount actually expended for the payment of prize awards.

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

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

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

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

(Y) "Instant bingo" means a form of bingo that shall use folded or banded tickets or paper cards with perforated break-open tabs, a face of which is covered or otherwise hidden from view to conceal a number, letter, or symbol, or set of numbers, letters, or symbols, some of which have been designated in advance as prize winners, and may also include games in which

some winners are determined by the random selection of one or more bingo numbers by the use of a seal card or bingo blower. "Instant bingo" also includes a punch board game. In all "instant bingo" the prize amount and structure shall be predetermined. "Instant bingo" does not include electronic instant bingo or any device that is activated by the insertion of a coin, currency, token, or an equivalent, and that contains as one of its components a video display monitor that is capable of displaying numbers, letters, symbols, or characters in winning or losing combinations.

(Z) "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.

(AA) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 26 U.S.C. 1, as amended.

(BB) "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.

(CC) "Net profit" means gross profit minus expenses.

(DD) "Participant" means any person who plays bingo.

(EE) "Punch board" means a form of instant bingo that uses a board containing a number of holes or receptacles of uniform size in which are placed, mechanically and randomly, serially numbered slips of paper that may be punched or drawn from the hole or receptacle. A player may punch or draw the numbered slips of paper from the holes or receptacles and obtain the prize established for the game if the number drawn corresponds to a winning number or, if the punch board includes the use of a seal card, a potential winning number.

(FF) "Raffle" means a form of bingo in which the one or more prizes are won by one or more persons who have purchased a raffle ticket. The one or more winners of the raffle are determined by drawing a ticket stub or other detachable section from a receptacle containing ticket stubs or detachable sections corresponding to all tickets sold for the raffle. "Raffle" does not include the drawing of a ticket stub or other detachable section of a ticket purchased to attend a professional sporting

event if both of the following apply:

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

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

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

(HH) "Revoke" means to void permanently all rights and privileges of the holder of a license issued under section 3768.04, 3768.16, or 3768.17 of the Revised Code or a charitable gaming license issued by another jurisdiction.

(II) "Security personnel" includes any person who either is a sheriff, deputy sheriff, marshal, deputy marshal, township constable, or member of an organized police department of a 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.

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

(KK) "Slot machine" has the same meaning as in section 2915.01 of the Revised Code.

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

(MM) "Suspend" means to interrupt temporarily all rights and privileges of the holder of a license issued under section 3768.04, 3768.16, or 3768.17 of the Revised Code or a charitable gaming license issued by another jurisdiction.

(NN) "Veteran's organization" means any individual post or state headquarters of a national veteran's association or an auxiliary unit of any individual post of a national veteran's association, which post, state headquarters, or auxiliary unit is incorporated as a nonprofit corporation and either has received a letter from the state headquarters of the national veteran's association indicating that the individual post or auxiliary unit is in good standing with the national veteran's association or has received a letter from the national veteran's association indicating that the state headquarters is in good standing with the national veteran's association. As used in this division, "national veteran's association" means any veteran's association that has been in continuous existence as such for a period of at least five years and either is incorporated by an act of the United States congress or has a national dues-paying membership of at least five thousand persons.

(OO) "Volunteer firefighter's organization" means any organization of volunteer firefighters, as defined in section

146.01 of the Revised Code, that is organized and operated exclusively to provide financial support for a volunteer fire department or a volunteer fire company and that is recognized or ratified by a county, municipal corporation, or township.

(PP) "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.

(QQ) "Youth athletic park organization" means any organization, not organized for profit, that satisfies both of the following:

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

(a) The playing fields are used for athletic activities by one or more organizations, not organized for profit, each of which is organized and operated exclusively to provide financial support to, or to operate, athletic activities for persons who are eighteen years of age or younger by means of sponsoring, organizing, operating, or contributing to the support of an athletic team, club, league, or association.

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

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

(RR) "Youth athletic organization" means any organization, not organized for profit, that is organized and operated exclusively to provide financial support to, or to operate,

athletic activities for persons who are twenty-one years of age or younger by means of sponsoring, organizing, operating, or contributing to the support of an athletic team, club, league, or association.

Sec. ~~2915.092~~ 3768.02. (A)(1) Subject to division (A)(2) of this section, a person or entity may conduct a raffle to raise money for the person or entity and does not need a license to conduct bingo in order to conduct a raffle drawing that is not for profit if the person or entity is any of the following:

(a) Exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code;

(b) A school district, community school established under Chapter 3314. of the Revised Code, STEM school established under Chapter 3326. of the Revised Code, college-preparatory boarding school established under Chapter 3328. of the Revised Code, or chartered nonpublic school;

(c) Exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code.

(2) If a person or entity that is described in division (A)(1)(c) of this section conducts a raffle, the person or entity shall distribute at least fifty per cent of the net profit from the raffle to a charitable purpose described in division ~~(V)~~ (I) of section ~~2915.01~~ 3768.01 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) 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. 3768.03. (A) Notwithstanding any contrary provision of section 2915.02 of the Revised Code, a charitable organization that is, and has received from the internal revenue service a determination letter that is currently in effect, stating that the organization is, exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code, may conduct games of chance, other than craps for money or roulette for money, if all of the following apply:

(1) The games of chance are conducted at festivals of the charitable organization that are conducted not more than a total of five days a calendar year.

(2) The games of chance are conducted at one of the following locations:

(a) On premises owned by the charitable organization for a period of not less than one year immediately preceding the conducting of the games of chance;

(b) On premises leased from a governmental unit;

(c) On premises that are leased from a veteran's or fraternal organization and that have been owned by the lessor veteran's or fraternal organization for a period of not less

than one year immediately preceding the conducting of the games of chance. A charitable organization shall not lease premises from a veteran's or fraternal organization for that purpose if the veteran's or fraternal organization already has leased the premises twelve times during the preceding year to charitable organizations for that purpose. If a charitable organization leases premises from a veteran's or fraternal organization for that purpose, the charitable organization shall not pay a rental rate for the premises per day of the festival that exceeds the rental rate per bingo session that a charitable organization may pay under division (B)(1) of section 3768.05 of the Revised Code when it leases premises from another charitable organization to conduct bingo games.

(3) All of the money or assets received from the games of chance after deduction only of prizes paid out during the conduct of the games of chance are used by, or given, donated, or otherwise transferred to, 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.

(4) The games of chance are not conducted during, or within ten hours of, a bingo game conducted for amusement purposes only pursuant to section 3768.19 of the Revised Code.

(5) No person receives any commission, wage, salary, reward, tip, donation, gratuity, or other form of compensation, directly or indirectly, for operating or assisting in the operation of any game of chance.

(B) This section shall not be construed to authorize the sale, lease, or other temporary or permanent transfer of the

right to conduct games of chance, as granted by this section, by any charitable organization that is granted that right.

Sec. ~~2915.08~~ 3768.04. (A)(1) Except as otherwise permitted under section ~~2915.092~~ 3768.02 of the Revised Code, annually before the first day of January, a charitable organization that desires to conduct bingo shall apply to the ~~attorney general~~ commission for one or more of the following types of licenses to conduct bingo, as appropriate:

(a) A type I license to conduct bingo as described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code;

(b) A type II license to conduct instant bingo, electronic instant bingo, or both at a bingo session;

(c) A type III license to conduct instant bingo, electronic instant bingo, or both other than at a bingo session, in accordance with sections ~~2915.093 to 2915.095~~ 3768.07 to 3768.09 or sections ~~2915.13 to 2915.15~~ 3768.10 to 3768.12 of the Revised Code, as applicable.

(2) A veteran's organization or fraternal organization that is authorized under section ~~2915.14~~ 3768.11 of the Revised Code to conduct electronic instant bingo may be issued only one license to conduct electronic instant bingo at any one time. The organization may conduct electronic instant bingo under that license at only one location specified on the license, which shall be the organization's principal place of business.

(B) The application shall be accompanied by a license fee as follows:

(1) If the charitable organization was not licensed to conduct bingo ~~under this chapter~~ in this state before July 1,

2003, a fee established by the ~~attorney general~~ commission by rule adopted pursuant to section 111.15 of the Revised Code.

(2) If the charitable organization was licensed to conduct bingo ~~under this chapter~~ in this state before July 1, 2003, the following applicable fee:

(a) For a type I license for a charitable organization that wishes to conduct bingo during twenty-six or more weeks in any calendar year, a license fee of two hundred dollars;

(b) For a type II or type III license for a charitable organization that previously has not been licensed under this chapter to conduct instant bingo or electronic instant bingo and that wishes to conduct bingo during twenty-six or more weeks in any calendar year, a license fee of five hundred dollars;

(c) For a type II or type III license for a charitable organization that previously has been licensed under this chapter to conduct instant bingo or electronic instant bingo and that desires to conduct bingo during twenty-six or more weeks in any calendar year, a license fee that is based upon the gross profits received by the charitable organization from the operation of instant bingo or electronic instant bingo during the one-year period ending on the thirty-first day of October of the year immediately preceding the year for which the license is sought, and that is one of the following:

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

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

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

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

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

~~(c)~~(d) For a type I, type II, or type III license for a charitable organization that desires to conduct bingo during fewer than twenty-six weeks in any calendar year, a reduced license fee established by the ~~attorney general~~ commission by rule adopted pursuant to section 111.15 of the Revised Code.

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

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

(2) 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;

(3) 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;

(4) 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 in subsection 501(c)(3), 501(c)(4), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code;

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

(6) A statement of the charitable purposes for which the net profit derived from bingo described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code will be used, or a statement of how the net profit derived from instant bingo or electronic instant bingo will be distributed in accordance with section ~~2915.101~~ 3768.13 of the Revised Code, as applicable;

(7) Other necessary and reasonable information that the ~~attorney general~~ commission may require by rule adopted pursuant to section 111.15 of the Revised Code;

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

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

(10) In the case of an applicant seeking to qualify as a youth athletic park organization, a statement issued by a board or body vested with authority under Chapter 755. of the Revised Code for the supervision and maintenance of recreation facilities in the territory in which the organization is located, certifying that the playing fields owned by the organization were open for use to all residents of that territory, regardless of race, color, creed, religion, sex, or national origin, for athletic activities by youth athletic organizations that do not discriminate on the basis of race, color, creed, religion, sex, or national origin, and that the fields were not used for any profit-making activity at any time during the year. That type of board or body is authorized to issue the statement upon request and shall issue the statement if it finds that the applicant's playing fields were so used.

(D) The ~~attorney general~~ commission, within thirty days after receiving a timely filed application from a charitable organization that has been issued a license under this section that has not expired and has not been revoked or suspended, shall send a temporary permit to the applicant specifying the date on which the application was filed with the ~~attorney general~~ commission and stating that, pursuant to section 119.06 of the Revised Code, the applicant may continue to conduct bingo until a new license is granted or, if the application is

rejected, until fifteen days after notice of the rejection is mailed to the applicant. The temporary permit does not affect the validity of the applicant's application and does not grant any rights to the applicant except those rights specifically granted in section 119.06 of the Revised Code. The issuance of a temporary permit by the ~~attorney general~~ commission pursuant to this division does not prohibit the ~~attorney general~~ commission from rejecting the applicant's application because of acts that the applicant committed, or actions that the applicant failed to take, before or after the issuance of the temporary permit.

(E) Within thirty days after receiving an initial license application from a charitable organization to conduct bingo, the ~~attorney general~~ commission 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~~ commission failed to notify the applicant of any deficiencies, the ~~attorney general~~ commission shall have an additional sixty days to conduct an investigation and either grant, grant with limits, restrictions, or probationary conditions, or deny the application based on findings established and communicated in accordance with divisions (F) and (I) of this section. As an option to granting, granting with limits, restrictions, or probationary conditions, or denying an initial license application, the ~~attorney general~~ commission may grant a temporary license and request additional time to conduct the investigation if the ~~attorney general~~ commission 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.

(F)(1) The ~~attorney general~~ commission shall adopt rules to enforce ~~sections 2915.01, 2915.02, and 2915.07 to 2915.15 of the Revised Code~~ this chapter to ensure that bingo ~~is~~ and games of chance are conducted in accordance with ~~those sections~~ this chapter and to maintain proper control over the conduct of bingo and games of chance by charitable organizations. Except as otherwise provided in this section, the rules shall be adopted pursuant to Chapter 119. of the Revised Code. The ~~attorney general~~ commission shall license charitable organizations to conduct bingo in conformance with this chapter and with the licensing provisions of Chapter 119. of the Revised Code.

(2) If any of the following applies to an organization, the ~~attorney general~~ commission may refuse to grant a license to the organization, may revoke or suspend the organization's license, or may place limits, restrictions, or probationary conditions on the organization's license for a limited or indefinite period, as determined by the ~~attorney general~~ commission:

(a) The organization fails or has failed at any time to meet any requirement of this chapter or of section 109.26, 109.31, or 1716.02~~, or sections 2915.07 to 2915.15~~ of the Revised Code, or violates or has violated any provision of ~~sections 2915.02 or 2915.07 to 2915.13 of the Revised Code~~ this chapter or any rule adopted by the ~~attorney general~~ commission pursuant to this chapter.

(b) The organization makes or has made an incorrect or false statement that is material to the granting of the license in an application filed under this section.

(c) The organization submits or has submitted any incorrect or false information relating to an application if the

information is material to the granting of the license.

(d) The organization maintains or has maintained any incorrect or false information that is material to the granting of the license in the records required to be kept pursuant to section ~~2915.10~~ 3768.14 of the Revised Code, if applicable.

(e) The ~~attorney general~~ commission has good cause to believe that the organization will not conduct bingo in accordance with ~~sections 2915.07 to 2915.15 of the Revised Code~~ this chapter or with any rule adopted by the ~~attorney general~~ commission pursuant to this chapter.

(3) If the ~~attorney general~~ commission has good cause to believe that any director or officer of the organization has breached the director's or officer's fiduciary duty to, or committed theft or any other type of misconduct related to, the organization or any other charitable organization that has been issued a bingo license under this chapter, the ~~attorney general~~ commission may refuse to grant a license to the organization, may impose limits, restrictions, or probationary conditions on the license, or may revoke or suspend the organization's license for a period not to exceed five years.

(4) The ~~attorney general~~ commission may impose a civil fine on an organization licensed or permitted under this chapter for failure to comply with any restrictions, limits, or probationary conditions on its license, and for failure to comply with this chapter or any rule adopted under this chapter, according to a schedule of fines that the ~~attorney general~~ commission shall adopt in accordance with Chapter 119. of the Revised Code.

(5) For the purposes of division (F) of this section, any

action of an officer, trustee, agent, representative, or bingo game operator of an organization is an action of the organization.

(G) The ~~attorney general~~ commission may grant licenses to charitable organizations that are branches, lodges, or chapters of national charitable organizations.

(H) The ~~attorney general~~ commission shall send notice of any of the following actions in writing to the prosecuting attorney and sheriff of the county in which the charitable organization is located and to any other law enforcement agency in that county that so requests, of all of the following:

(1) The issuance of a license under this section;

(2) The issuance of an amended license under this section;

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

(4) The revocation of any license previously issued under this section;

(5) The suspension of any license previously issued under this section;

(6) The placing of any limits, restrictions, or probationary conditions placed on a license issued under this section.

(I) A license issued by the ~~attorney general~~ commission under this section shall set forth the information contained on the application of the charitable organization that the ~~attorney general~~ commission determines is relevant, including, but not limited to, the location at which the organization will conduct bingo, whether the license is a type I, type II, or type III

license, and the days of the week and the times on each of those days when bingo will be conducted. If the ~~attorney general~~ commission refuses to grant, places limits, restrictions, or probationary conditions on, or revokes or suspends a license, the ~~attorney general~~ commission shall notify the applicant in writing and specifically identify the reason for the refusal, revocation, limit, restriction, probationary condition, or suspension in narrative form and, if applicable, by identifying the section of the Revised Code violated. The failure of the ~~attorney general~~ commission to give the written notice of the reasons for the refusal, revocation, limit, restriction, probationary condition, or suspension or a mistake in the written notice does not affect the validity of the ~~attorney general's~~ commission's refusal to grant, or the revocation or suspension of, or limit, restriction, probationary condition on, a license. If the ~~attorney general~~ commission 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~~ commission to comply with this division or to correct the mistake, but the ~~attorney general's~~ commission's order refusing to grant, or placing a limit, restriction, or probationary condition on, or revoking or suspending, a license shall not be enjoined during the pendency of the action.

(J)(1)(a) Except as otherwise provided in division (J)(2) of this section, a charitable organization that has been issued a license under this section but that cannot conduct bingo at the location, or on the day of the week or at the time, specified on the license due to circumstances that make it impractical to do so, or that desires to conduct instant bingo other than at a bingo session at additional locations not identified on the license, may apply in writing, together with

an application fee of two hundred fifty dollars, to the ~~attorney general~~ commission, at least thirty days prior to a change in or addition of a location, day of the week, or time, and request an amended license.

(b) As applicable, the application shall describe the causes making it impractical for the organization to conduct bingo in conformity with its license and shall indicate the location, days of the week, and times on each of those days when it desires to conduct bingo and, as applicable, shall indicate the additional locations at which it desires to conduct instant bingo other than at a bingo session.

(c) Except as otherwise provided in division (J)(3) of this section, the ~~attorney general~~ commission shall issue the amended license in accordance with division (I) of this section, and the organization shall surrender its original license to the attorney general.

(2)(a) A charitable organization that has been issued a license under this section to conduct electronic instant bingo but that cannot conduct electronic instant bingo at the location, or on the day of the week or at the time, specified on the license due to circumstances that make it impractical to do so, may apply in writing, together with an application fee of two hundred fifty dollars, to the ~~attorney general~~ commission, at least thirty days prior to a change in a location, day of the week, or time, and request an amended license. A charitable organization may not apply for an amended license to conduct electronic instant bingo at any additional location.

(b) The application shall describe the causes making it impractical for the organization to conduct electronic instant bingo in conformity with its license and shall indicate the

location, days of the week, and times on each of those days when it desires to conduct electronic instant bingo.

(c) Except as otherwise provided in division (J)(3) of this section, the ~~attorney general~~ commission shall issue the amended license in accordance with division (I) of this section, and the organization shall surrender its original license to the ~~attorney general~~ commission.

(3) The ~~attorney general~~ commission may refuse to grant an amended license under division (J)(1) or (2) of this section according to the terms of division (F) of this section.

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

~~(L)~~ The ~~attorney general~~ commission, by rule adopted pursuant to section 111.15 of the Revised Code, may adopt rules to determine the requirements for a charitable organization that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code to be in good standing in the state for purposes of this chapter.

Sec. ~~2915.09~~ 3768.05. (A) No charitable organization that conducts bingo shall fail to do any of the following:

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

(2) Except as otherwise provided in division (A)(3) of

this section, use all of the gross receipts from bingo for paying prizes, for reimbursement of expenses for or for renting premises in which to conduct a bingo session, for reimbursement of expenses for or for purchasing or leasing bingo supplies used in conducting bingo, for reimbursement of expenses for or for hiring security personnel, for reimbursement of expenses for or for advertising bingo, or for reimbursement of other expenses or for other expenses listed in division ~~(GG)~~ (Q) of section ~~2915.01~~ 3768.01 of the Revised Code, provided that the amount of the receipts so spent is not more than is customary and reasonable for a similar purchase, lease, hiring, advertising, or expense. If the building in which bingo is conducted is owned by the charitable organization conducting bingo and the bingo conducted includes a form of bingo described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code, the charitable organization may deduct from the total amount of the gross receipts from each session a sum equal to the lesser of six hundred dollars or forty-five per cent of the gross receipts from the bingo described in that division as consideration for the use of the premises.

(3) Use, or give, donate, or otherwise transfer, all of the net profit derived from bingo described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code for a charitable purpose listed in its license application and described in division ~~(V)~~ (H) of section ~~2915.01~~ 3768.01 of the Revised Code, or distribute all of the net profit from the proceeds of the sale of instant bingo or electronic instant bingo as stated in its license application and in accordance with section ~~2915.101~~ 3768.13 of the Revised Code, as applicable.

(B) No charitable organization that conducts a bingo game

described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code shall fail to do any of the following:

(1) Conduct the bingo game on premises that are owned by the charitable organization, on premises that are owned by another charitable organization and leased from that charitable organization for a rental rate not in excess of the lesser of six hundred dollars per bingo session or forty-five per cent of the gross receipts of the bingo session, on premises that are leased from a person other than a charitable organization for a rental rate that is not more than is customary and reasonable for premises that are similar in location, size, and quality but not in excess of four hundred fifty dollars per bingo session, or on premises that are owned by a person other than a charitable organization, that are leased from that person by another charitable organization, and that are subleased from that other charitable organization by the charitable organization for a rental rate not in excess of four hundred fifty dollars per bingo session. No charitable organization is required to pay property taxes or assessments on premises that the charitable organization leases from another person to conduct bingo sessions. If the charitable organization leases from a person other than a charitable organization the premises on which it conducts bingo sessions, the lessor of the premises shall provide the premises to the organization and shall not provide the organization with bingo game operators, security personnel, concessions or concession operators, bingo supplies, or any other type of service. A charitable organization shall not lease or sublease premises that it owns or leases to more than three other charitable organizations per calendar week for conducting bingo sessions on the premises. A person that is not a charitable organization shall not lease premises that it owns,

leases, or otherwise is empowered to lease to more than three charitable organizations per calendar week for conducting bingo sessions on the premises. In no case shall more than nine bingo sessions be conducted on any premises in any calendar week.

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

(3) Conduct the bingo session in accordance with the definition of bingo set forth in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code.

(C) No charitable organization that conducts a bingo game described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code shall do any of the following:

(1) Pay any compensation to a bingo game operator for operating a bingo session that is conducted by the charitable organization or for preparing, selling, or serving food or beverages at the site of the bingo session, permit any auxiliary unit or society of the charitable organization to pay compensation to any bingo game operator who prepares, sells, or serves food or beverages at a bingo session conducted by the charitable organization, or permit any auxiliary unit or society of the charitable organization to prepare, sell, or serve food or beverages at a bingo session conducted by the charitable organization, if the auxiliary unit or society pays any compensation to the bingo game operators who prepare, sell, or serve the food or beverages;

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

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

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

(5) Pay out more than six thousand dollars in prizes for bingo games described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code during any bingo session that is conducted by the charitable organization. "Prizes" does not include awards from the conduct of instant bingo.

(6) Conduct a bingo session at any time during the eight-hour period between two a.m. and ten a.m., at any time during, or within ten hours of, a bingo game conducted for amusement only pursuant to section ~~2915.12~~ 3768.18 of the Revised Code, at any premises not specified on its license, or on any day of the week or during any time period not specified on its license. Division (A)(6) of this section does not prohibit the sale of instant bingo tickets beginning at nine a.m. for a bingo session that begins at ten a.m. If circumstances make it impractical for the charitable organization to conduct a bingo session at the premises, or on the day of the week or at the time, specified on its license, or if a charitable organization wants to conduct bingo sessions on a day of the week or at a time other than the day or time specified on its license, the charitable organization may apply in writing to the attorney general for an amended license pursuant to division (J) of section ~~2915.08~~ 3768.04 of the Revised Code. A charitable organization may apply twice in each calendar year for an amended license to conduct bingo sessions on a day of the week or at a time other than the

day or time specified on its license. If the amended license is granted, the organization may conduct bingo sessions at the premises, on the day of the week, and at the time specified on its amended license.

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

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

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

(10) Purchase or lease bingo supplies from any person except a distributor issued a license under section ~~2915.081~~ 3768.16 of the Revised Code;

(11)(a) Use or permit the use of electronic bingo aids except under the following circumstances:

(i) For any single participant, not more than ninety bingo faces can be played using an electronic bingo aid or aids.

(ii) The charitable organization shall provide a participant using an electronic bingo aid with corresponding paper bingo cards or sheets.

(iii) The total price of bingo faces played with an electronic bingo aid shall be equal to the total price of the

same number of bingo faces played with a paper bingo card or sheet sold at the same bingo session but without an electronic bingo aid.

(iv) An electronic bingo aid cannot be part of an electronic network other than a network that includes only bingo aids and devices that are located on the premises at which the bingo is being conducted or be interactive with any device not located on the premises at which the bingo is being conducted.

(v) An electronic bingo aid cannot be used to participate in bingo that is conducted at a location other than the location at which the bingo session is conducted and at which the electronic bingo aid is used.

(vi) An electronic bingo aid cannot be used to provide for the input of numbers and letters announced by a bingo caller other than the bingo caller who physically calls the numbers and letters at the location at which the bingo session is conducted and at which the electronic bingo aid is used.

(b) The ~~attorney general~~ commission may adopt rules in accordance with Chapter 119. of the Revised Code that govern the use of electronic bingo aids. The rules may include a requirement that an electronic bingo aid be capable of being audited by the ~~attorney general~~ commission to verify the number of bingo cards or sheets played during each bingo session.

(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 ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 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, electronic instant bingo, or both other than at a bingo session at the site of instant bingo, electronic instant bingo, or both 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 organizations for the conducting of more than two bingo sessions per calendar week on the premises, may continue to lease the

premises to those charitable organizations, provided that no more than four sessions are conducted per calendar week, that the lessor organization or person has notified the ~~attorney general~~ commission in writing of the organizations that will conduct the sessions and the days of the week and the times of the day on which the sessions will be conducted, that the initial lease entered into with each organization that will conduct the sessions was filed with the attorney general prior to December 6, 1977, and that each organization that will conduct the sessions was issued a license to conduct bingo games by the attorney general prior to December 6, 1977.

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

(G) Whoever violates division (A)(2) of this section is guilty of illegally conducting a bingo game, a felony of the fourth degree. Except as otherwise provided in this division, whoever violates division (A)(1) or (3), (B)(1), (2), or (3), (C)(1) to (11), or (D) of this section is guilty of a minor misdemeanor. If the offender previously has been convicted of a violation of division (A)(1) or (3), (B)(1), (2), or (3), (C)(1) to (11), or (D) of this section, a violation of division (A)(1) or (3), (B)(1), (2), or (3), (C), or (D) of this section is a misdemeanor of the first degree. Whoever violates division (C)(12) of this section is guilty of a misdemeanor of the first degree, or if the offender previously has been convicted of a violation of division (C)(12) of this section, a felony of the fourth degree.

Sec. ~~2915.091~~ 3768.06. (A) No charitable organization that conducts instant bingo shall do any of the following:

(1) Fail to comply with the requirements of divisions (A)(1), (2), and (3) of section ~~2915.09~~ 3768.05 of the Revised Code;

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

(a) That organization is, and has received from the internal revenue service a determination letter that is currently in effect stating that the organization is, exempt from federal income taxation under subsection 501(a), is described in subsection 501(c)(3) of the Internal Revenue Code, is a charitable organization as defined in section ~~2915.01~~ 3768.01 of the Revised Code, is in good standing in the state pursuant to section ~~2915.08~~ 3768.04 of the Revised Code, and is in compliance with Chapter 1716. of the Revised Code;

(b) That organization is, and has received from the internal revenue service a determination letter that is currently in effect stating that the organization is, exempt from federal income taxation under subsection 501(a), is described in subsection 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) or is a veteran's organization described in subsection 501(c)(4) of the Internal Revenue Code, and conducts instant bingo under section ~~2915.13~~ 3768.10 of the Revised Code.

(3) Conduct instant bingo on any day, at any time, or at any premises not specified on the organization's license issued pursuant to section ~~2915.08~~ 3768.04 of the Revised Code;

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

(5) Purchase or lease supplies used to conduct instant bingo or punch board games from any person except a distributor licensed under section ~~2915.081~~ 3768.16 of the Revised Code;

(6) Sell or provide any instant bingo ticket or card 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;

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

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

(9) Pay any compensation to a bingo game operator for conducting instant bingo that is conducted by the organization or for preparing, selling, or serving food or beverages at the site of the instant bingo game, permit any auxiliary unit or society of the organization to pay compensation to any bingo game operator who prepares, sells, or serves food or beverages at an instant bingo game conducted by the organization, or permit any auxiliary unit or society of the organization to prepare, sell, or serve food or beverages at an instant bingo game conducted by the organization, if the auxiliary unit or society pays any compensation to the bingo game operators who prepare, sell, or serve the food or beverages;

(10) Pay fees to any person for any services performed in relation to an instant bingo game, except as provided in division (D) of section ~~2915.093~~ 3768.07 of the Revised Code;

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

(12)(a) Allow instant bingo tickets or cards to be sold to bingo game operators at a premises at which the organization

sells instant bingo tickets or cards or to be sold to employees of a D permit holder who are working at a premises at which instant bingo tickets or cards are sold;

(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~~ 3768.16 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~~ 3768.14 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 this chapter.

(B) A charitable organization may purchase, lease, or use instant bingo ticket dispensers to sell instant bingo tickets or

cards.

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

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

Sec. ~~2915.093~~ 3768.07. (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)(1) If a charitable instant bingo organization conducts

instant bingo other than at a bingo session under a type III license issued under section ~~2915.08~~ 3768.04 of the Revised Code, 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 conduct of instant bingo other than at a bingo session, identify each location where the instant bingo other than at a bingo session is being conducted, and identify the owner or lessor of each location.

(2) A charitable instant bingo organization that conducts instant bingo other than at a bingo session under a type III license issued under section ~~2915.08~~ 3768.04 of the Revised Code is not required to enter into a written contract with the owner or lessor of the location at which the instant bingo is conducted, provided that the owner or lessor is not assisting in the conduct of the instant bingo other than at a bingo session and provided that the conduct of the instant bingo other than at a bingo session at that location is not more than five days per calendar year and not more than ten hours per day.

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

(D) The owner or lessor of a location that enters into a contract pursuant to division (B) of this section shall pay the full gross profit to the charitable instant bingo organization, in return for the deal of instant bingo tickets. The owner or lessor may retain the money that the owner or lessor receives for selling the instant bingo tickets, provided, however, that

after the deal has been sold, the owner or lessor shall pay to the charitable instant bingo organization the value of any unredeemed instant bingo prizes remaining in the deal of instant bingo tickets.

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

As used in this division, "expenses" means those items provided for in divisions ~~(GG)(4)~~ (R)(4), (5), (6), (7), (8), (12), and (13) of section ~~2915.01~~ 3768.01 of the Revised Code and that percentage of the owner's or lessor's rent for the location where instant bingo is conducted. "Expenses," in the aggregate, shall not exceed six per cent of the total gross receipts of any deal of instant bingo tickets.

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

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

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

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

(3) That the charitable instant bingo organization is aware of conduct by the owner or lessor of a location at which

instant bingo is conducted that is in violation of this chapter.

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

Sec. ~~2915.094~~ 3768.08. (A) No owner or lessor of a location shall assist a charitable instant bingo organization in the conduct of instant bingo other than at a bingo session at that location unless the owner or lessor has entered into a written contract, as described in section ~~2915.093~~ 3768.07 of the Revised Code, with the charitable instant bingo organization to assist in the conduct of instant bingo other than at a bingo session.

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

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

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

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

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

Sec. ~~2915.095~~ 3768.09. The ~~attorney general~~commission, by rule adopted pursuant to section 111.15 of the Revised Code, shall establish a standard contract to be used by a charitable instant bingo organization, a veteran's organization, a fraternal organization, or a sporting organization for the conduct of instant bingo, electronic instant bingo, or both other than at a bingo session under a type III license issued under section ~~2915.08~~ 3768.04 of the Revised Code. The terms of the contract shall be limited to the provisions ~~in Chapter 2915. of the Revised Code~~ of this chapter.

Sec. ~~2915.13~~ 3768.10. (A) Subject to the requirements of sections ~~2915.14~~ 3768.11 and ~~2915.15~~ 3768.12 of the Revised Code concerning electronic instant bingo, a veteran's organization, a

fraternal organization, or a sporting organization authorized to conduct a bingo session pursuant to this chapter may conduct instant bingo, electronic instant bingo, or both other than at a bingo session under a type III license issued under section ~~2915.08~~ 3768.04 of the Revised Code if all of the following apply:

(1) The veteran's organization, fraternal organization, or sporting organization limits the sale of instant bingo or electronic instant bingo to ~~twelve~~ sixteen hours during any day, provided that the sale does not begin earlier than ~~ten~~ eight a.m. and ends not later than two a.m.

(2) The veteran's organization, fraternal organization, or sporting organization limits the sale of instant bingo or electronic instant bingo to its own premises and to its own members and invited guests.

(3) The veteran's organization, fraternal organization, or sporting organization is raising money for an 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 maintains its principal place of business in this state, that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code, and that is in good standing in this state and executes a written contract with that organization as required in division (B) of this section.

(B) If a veteran's organization, fraternal organization, or sporting organization authorized to conduct instant bingo or electronic instant bingo pursuant to division (A) of this section is raising money for another 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 maintains its principal place of business in this state, that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code, and that is in good standing in this state, the veteran's organization, fraternal organization, or sporting organization shall execute a written contract with the 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 maintains its principal place of business in this state, that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code, and that is in good standing in this state in order to conduct instant bingo or electronic instant bingo. That contract shall include a statement of the percentage of the net proceeds that the veteran's, fraternal, or sporting organization will be distributing to the 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 maintains its principal place of business in this state, that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code, and that is in good standing in this state under section 3768.13 of the Revised Code.

(C)(1) If a veteran's organization, fraternal organization, or sporting organization authorized to conduct instant bingo or electronic instant bingo pursuant to division (A) of this section has been issued a liquor permit under Chapter 4303. of the Revised Code, that permit may be subject to suspension, revocation, or cancellation if the veteran's

organization, fraternal organization, or sporting organization violates a provision of this chapter.

(2) No veteran's organization, fraternal organization, or sporting organization that enters into a written contract pursuant to division (B) of this section shall violate any provision of this chapter or permit, aid, or abet any other person in violating any provision of this chapter.

(D) A veteran's organization, fraternal organization, or sporting organization shall give all required proceeds earned from the conduct of instant bingo or electronic instant bingo to the organization with which the veteran's organization, fraternal organization, or sporting organization has entered into a written contract.

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

Sec. ~~2915.14~~ 3768.11. (A) No charitable organization shall conduct electronic instant bingo unless all of the following are true:

(1) The organization is a veteran's organization described in division ~~(J)~~ (NN) of section ~~2915.01~~ 3768.01 of the Revised Code, or is a fraternal organization described in division ~~(I)~~ (S) of section ~~2915.01~~ 3768.01 of the Revised Code, and the organization qualified as a veteran's organization or fraternal organization, as applicable, on or before June 30, 2021.

(2) The organization is a veteran's organization described in subsection 501(c)(4) of the Internal Revenue Code or is, and has received from the internal revenue service a determination letter that is currently in effect stating that the organization is, exempt from federal income taxation under subsection 501(a), and is described in subsection 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code.

(3) The organization has not conducted a raffle in violation of division (B) of section ~~2915.092~~ 3768.02 of the Revised Code using an electronic raffle machine, as described in Ohio Veterans and Fraternal Charitable Coalition v. DeWine, Case No. 13-CV-13610 (C.P. Franklin Co. February 23, 2018), at any time on or after January 1, 2022.

(B) No charitable organization that conducts electronic instant bingo shall do any of the following:

(1) Possess an electronic instant bingo system that was not obtained in accordance with this chapter or with any rule adopted under this chapter;

(2) Conduct electronic instant bingo on any day, at any time, or on any premises not specified on the organization's type II or type III license issued under section ~~2915.08~~ 3768.04 of the Revised Code;

(3) Hold more than one valid license to conduct electronic instant bingo at any one time;

(4) Conduct electronic instant bingo on more than one premises or on any premises other than the charitable organization's principal place of business;

(5) Operate more than ten electronic bingo systems at the premises on which the charitable organization conducts

electronic instant bingo under its license;

(6) Fail to display both of the following conspicuously at the premises on which the charitable organization conducts electronic instant bingo:

(a) The charitable organization's bingo license;

(b) The serial number of each deal of electronic instant bingo tickets being sold.

(7) Permit any person the charitable organization knows, or should have known, to be under eighteen years of age to play electronic instant bingo;

(8) Sell or provide to any person an electronic instant bingo ticket for a price different from the price displayed on the game flare for that deal, except that the charitable organization may give a participant who wins an electronic instant bingo game an electronic instant bingo ticket as a prize in place of a cash prize;

(9) Fail, once an electronic instant bingo deal is begun, to continue to sell tickets in that deal until all prizes have been awarded;

(10) Permit any person whom the organization knows, or should have known, has been convicted of a felony or gambling offense in any jurisdiction to be a bingo game operator in the conduct of electronic instant bingo;

(11) Permit a bingo game operator to play electronic instant bingo;

(12)(a) Except as otherwise provided in division (B)(12)(b) of this section, pay compensation to a bingo game operator for conducting electronic instant bingo.

(b) Division (B)(12)(a) of this section does not prohibit an employee of a veteran's organization or fraternal organization from redeeming electronic instant bingo tickets or vouchers for the organization's members or invited guests, so long as no portion of the employee's compensation is paid from any bingo receipts.

(13) Pay consulting fees to any person in relation to electronic instant bingo.

(C) No person shall sell, offer to sell, or otherwise provide or offer to provide an electronic instant bingo system to any person for use in this state unless the electronic instant bingo system has been approved under section ~~2915.15~~ 3768.12 of the Revised Code.

(D) The ~~attorney general~~ commission shall adopt rules under Chapter 119. of the Revised Code to ensure the integrity of electronic instant bingo, including, but not limited to, rules governing all of the following:

(1) The requirements to receive a license or endorsement to conduct electronic instant bingo;

(2) The location and number of electronic instant bingo systems in use, which shall not exceed ten at the single licensed location per organization;

(3) The times when electronic instant bingo may be offered;

(4) Signage requirements in facilities where electronic instant bingo is offered;

(5) Electronic instant bingo device and system specifications, including reveal features and game themes;

(6) Procedures and standards for the review, approval, inspection, and monitoring of electronic instant bingo systems, as described in section ~~2915.15~~ 3768.12 of the Revised Code;

(7) Procedures and standards for the review and approval of any changes to technology, systems, or games licensed or permitted under this chapter;

(8) The fees to be charged under section ~~2915.15~~ 3768.12 of the Revised Code for review, approval, inspection, and monitoring of electronic instant bingo systems;

(9) Procedures allowing the ~~attorney general~~ commission to seek a summary suspension of a license to conduct electronic instant bingo or a license to manufacture or distribute electronic instant bingo systems if the ~~attorney general~~ commission has good cause to believe that the person or organization licensed to conduct electronic instant bingo, or the person or organization licensed to manufacture or distribute electronic instant bingo systems, or any of the organization's employees, officers, directors, agents, representatives, or partners, has violated this chapter or a rule adopted under this chapter.

(E) Whoever knowingly violates division (A), (B), or (C) of this section or a rule adopted under division (D) of this section is guilty of illegal electronic instant bingo conduct. Illegal electronic instant bingo conduct is a misdemeanor of the first degree, except that if the offender previously has been convicted of a violation of division (A) or (B) of this section or of a rule adopted under division (D) of this section, illegal instant bingo conduct is a felony of the fifth degree.

Sec. ~~2915.15~~ 3768.12. (A)(1) Before selling, offering to

sell, or otherwise providing or offering to provide an electronic instant bingo system to any person for use in this state, a manufacturer shall submit the electronic instant bingo system to ~~an~~ a certified independent testing laboratory ~~that is licensed by the state lottery commission under section 3770.02 of the Revised Code, or that is certified~~ under section ~~3772.31~~ 3772.312 of the Revised Code~~,~~ for testing and evaluation to determine whether the electronic instant bingo system meets the requirements of this chapter and of rules adopted under this chapter. The manufacturer shall pay all costs of that testing and evaluation.

(2) ~~If the independent testing laboratory certifies that the electronic instant bingo system meets the requirements of this chapter and of rules adopted under this chapter, the manufacturer may submit the electronic instant bingo system, along with a copy of the laboratory's certification and a fee established by the attorney general by rule under Chapter 119. of the Revised Code, to the attorney general for review and approval. The manufacturer also shall submit a fee established by the attorney general by rule under Chapter 119. of the Revised Code, which the attorney general shall use to pay the cost of reviewing and approving electronic instant bingo systems under division (A) of this section.~~

~~(3) The attorney general shall approve the system for use in this state if the attorney general determines that the electronic instant bingo system meets the requirements of this chapter and of the rules adopted under this chapter. The attorney general shall consult the Ohio casino control commission for assistance in determining whether an electronic instant bingo system is prohibited for use under this chapter on the ground that it is a slot machine.~~

~~(4)~~ An electronic instant bingo system shall be ~~verified~~ approved and sealed by the ~~attorney general~~ commission before the electronic instant bingo system is placed into service.

~~(5)~~ (3) Before an electronic instant bingo system is removed from service, the ~~attorney general's~~ commission's seal shall be removed by the ~~attorney general's~~ commission's designee. If the seal is removed after an electronic instant bingo system is sealed by the ~~attorney general~~ commission but before the electronic instant bingo system is placed into service, or if the seal is removed before an electronic instant bingo system is removed from service, or if the seal is removed by someone other than the ~~attorney general's~~ commission's designee, the electronic instant bingo system shall be returned to ~~an~~ a certified independent testing laboratory described in division (A)(1) of this section.

(B) Any electronic instant bingo system approved for use in this state shall have a central server located in Ohio which is accessible to the ~~attorney general~~ commission and shall include an internal report management system that records information concerning the operation of the system and that meets the requirements adopted by the ~~attorney general~~ commission by rule under Chapter 119. of the Revised Code. The internal report management system shall permit the ~~attorney general~~ commission or another person designated by the ~~attorney general~~ commission to access the internal report management system, monitor the electronic instant bingo system, and remotely deactivate the electronic instant bingo system or any aspect of the system.

(C) The ~~attorney general~~ commission may inspect any electronic instant bingo system in use in this state at any time

to ensure that the system is in compliance with this chapter and with the rules adopted under this chapter. If the ~~attorney general~~ commission determines that any person or any electronic instant bingo system is in violation of any provision of this chapter or of any rule adopted under this chapter, the ~~attorney general~~ commission may order that the violation immediately cease and may deactivate the electronic instant bingo system or any aspect of it.

(D) The ~~attorney general~~ commission may establish by rule adopted under Chapter 119. of the Revised Code an annual fee to be paid by distributors licensed under section ~~2915.081~~ 3768.16 of the Revised Code who have electronic instant bingo distributor endorsements to their licenses in order to pay the cost of monitoring the systems under division (B) of this section and the cost of inspecting systems under division (C) of this section.

Sec. ~~2915.101~~ 3768.13. (A) As used in this section:

(1) "Net profit from the proceeds of the sale of instant bingo" means gross profit minus the ordinary, necessary, and reasonable expense expended for the purchase of bingo supplies for the purpose of conducting instant bingo or electronic instant bingo, and, in the case of instant bingo or electronic instant bingo conducted by a veteran's, fraternal, or sporting organization, minus the payment by that organization of real property taxes and assessments levied on a premises on which instant bingo or electronic instant bingo is conducted.

(2) "Net profit from the proceeds of the sale of electronic instant bingo" means gross profit minus the ordinary, necessary, and reasonable expense expended for the purchase of bingo supplies for the purpose of conducting electronic instant

bingo, and minus the payment by the veteran's or fraternal organization of real property taxes and assessments levied on a premises on which electronic instant bingo is conducted.

(B) Except as otherwise provided by law, a charitable organization that conducts instant bingo or electronic instant bingo shall distribute the net profit from the proceeds of the sale of instant bingo or electronic instant bingo ~~as follows:~~ in accordance with this section.

~~(A)(1)~~ (C)(1) If a veteran's organization, a fraternal organization, or a sporting organization ~~conducted the~~ conducts instant bingo ~~or electronic instant bingo~~, the organization shall distribute the net profit from the proceeds of the sale of instant bingo ~~or electronic instant bingo,~~ as follows:

(a) For the first ~~two~~ three hundred ~~fifty~~ thirty thousand dollars, or a greater amount prescribed by the ~~attorney general~~ commission to adjust for changes in prices as measured by the consumer price index as defined in section 325.18 of the Revised Code and other factors affecting the organization's expenses, as defined in ~~division (GG) of~~ section ~~2915.01~~ 3768.01 of the Revised Code, or less of net profit from the proceeds of the sale of instant bingo ~~or electronic instant bingo~~ generated in a calendar year:

(i) At least twenty-five per cent shall be distributed to an organization described in division ~~(V)(1)~~ (H)(1) of section ~~2915.01~~ 3768.01 of the Revised Code or to a department or agency of the federal government, the state, or any political subdivision.

(ii) Not more than seventy-five per cent may be deducted and retained by the organization for reimbursement of or for the

organization's expenses, as defined in ~~division (GG) of~~ section ~~2915.01~~ 3768.01 of the Revised Code, in conducting the instant bingo ~~or electronic instant bingo~~ game.

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

(i) A minimum of fifty per cent shall be distributed to an organization described in division ~~(V)(1)~~ (H)(1) of section ~~2915.01~~ 3768.01 of the Revised Code or to a department or agency of the federal government, the state, or any political subdivision.

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

(iii) Forty-five per cent may be deducted and retained by the organization for reimbursement of or for the organization's expenses, as defined in ~~division (GG) of~~ section ~~2915.01~~ 3768.01 of the Revised Code, in conducting the instant bingo ~~or electronic instant bingo~~ game.

(2) If a veteran's organization, a fraternal organization, or a sporting organization does not distribute the full percentages specified in divisions ~~(A)(1)(a)~~ (C)(1)(a) and (b) of this section for the purposes specified in those divisions, the organization shall distribute the balance of the net profit from the proceeds of the sale of instant bingo ~~or electronic instant bingo~~ not distributed or retained for those purposes to an organization described in division ~~(V)(1)~~ (H)(1) of section ~~2915.01~~ 3768.01 of the Revised Code.

~~(B)~~ (D)(1) If a veteran's or fraternal organization conducts electronic instant bingo, the organization shall distribute the net profit from the proceeds of the sale of electronic instant bingo as follows:

(a) For the first three hundred thirty thousand dollars, or a greater amount prescribed by the commission to adjust for changes in prices as measured by the consumer price index as defined in section 325.18 of the Revised Code and other factors affecting the organization's expenses, or less of net profit from the proceeds of the sale of electronic instant bingo generated in a calendar year:

(i) At least twenty-five per cent shall be distributed to an organization described in division (H)(1) of section 3768.01 of the Revised Code or to a department or agency of the federal government, the state, or any political subdivision.

(ii) Not more than seventy-five per cent may be deducted and retained by the organization for reimbursement of or for the organization's expenses, as defined in section 3768.01 of the Revised Code, in conducting the electronic instant bingo game.

(b) For any net profit from the proceeds of the sale of electronic instant bingo of more than three hundred thirty thousand dollars or an adjusted amount generated in a calendar year:

(i) A minimum of fifty per cent shall be distributed to an organization described in division (H)(1) of section 2915.01 of the Revised Code or to a department or agency of the federal government, the state, or any political subdivision.

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

agency.

(iii) Forty-five per cent may be deducted and retained by the organization for reimbursement of or for the organization's expenses, as defined in section 3768.01 of the Revised Code, in conducting the electronic instant bingo game.

(2) If a veteran's or fraternal organization does not distribute the full percentages specified in divisions (B)(1)(a) and (b) of this section for the purposes specified in those divisions, the organization shall distribute the balance of the net profit from the proceeds of the sale of electronic instant bingo not distributed or retained for those purposes to an organization described in division (H)(1) of section 3768.01 of the Revised Code.

(E) If a charitable organization other than a veteran's organization, a fraternal organization, or a sporting organization ~~conducted the~~ conducts instant bingo ~~or electronic instant bingo~~, the organization shall distribute one hundred per cent of the net profit from the proceeds of the sale of instant bingo ~~or electronic instant bingo~~ to an organization described in division ~~(V)(1)~~ (H)(1) of section ~~2915.01~~ 3768.01 of the Revised Code or to a department or agency of the federal government, the state, or any political subdivision.

~~(C)~~ (F) Nothing in this section prohibits a veteran's organization, a fraternal organization, or a sporting organization from distributing any net profit from the proceeds of the sale of instant bingo or electronic instant bingo to an organization that is described in subsection 501(c)(3) of the Internal Revenue Code when the organization that is described in subsection 501(c)(3) of the Internal Revenue Code is one that makes donations to other organizations and permits donors to

advise or direct such donations so long as the donations comply with requirements established in or pursuant to subsection 501(c)(3) of the Internal Revenue Code.

Sec. ~~2915.10~~ 3768.14. (A) No charitable organization that conducts bingo, or conducts a game of chance pursuant to ~~division (D) of~~ section ~~2915.02~~ 3768.03 of the Revised Code, shall fail to maintain the following records for at least three years from the date on which the bingo or game of chance is conducted:

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

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

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

(4) An itemized list of the recipients of the net profit of the bingo or game of chance, including the name and address

of each recipient to whom the money is distributed, and if the organization uses the net profit of bingo, or the money or assets received from a game of chance, for any charitable or other purpose set forth in division ~~(V)~~ (H) of section ~~2915.01, division (D) of~~ 3768.01 or section ~~2915.02,~~ 3768.03 or ~~section 2915.101~~ 3768.13 of the Revised Code, a list of each purpose and an itemized list of each expenditure for each purpose;

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

(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 ~~(T)~~ (X) of section ~~2915.01~~ 3768.01 of the Revised Code;

(7) An itemized list of all expenses incurred at each bingo session, each raffle, each punch board game, or each game of instant bingo or electronic 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.

(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.

(C) The gross profit from each bingo session or game described in division ~~(O)(1)~~ (A)(1) or (2) of section ~~2915.01~~

3768.01 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.

(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.

(E) The ~~attorney general~~ commission may adopt rules in accordance with Chapter 119. of the Revised Code that establish standards of accounting, record keeping, and reporting to ensure that gross receipts from bingo or games of chance are properly accounted for.

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

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

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

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

(4) Invoices that include the nonrepeating serial numbers

of all paper bingo cards and sheets and all instant bingo deals sold or otherwise provided to each charitable organization.

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

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

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

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

(H) The ~~attorney general~~ commission or any law enforcement agency may do all of the following:

(1) Investigate any charitable organization, distributor, or manufacturer or any officer, agent, trustee, member, or employee of the organization, distributor, or manufacturer;

(2) Examine the accounts and records of the charitable organization, distributor, or manufacturer or of any officer, agent, trustee, member, or employee of the organization, distributor, or manufacturer;

(3) Conduct inspections, audits, and observations of bingo or games of chance;

(4) Conduct inspections of the premises where bingo or games of chance are conducted or where bingo supplies are manufactured or distributed;

(5) Take any other necessary and reasonable action to determine if a violation of any provision of this chapter has occurred and to determine whether section ~~2915.11~~ 3768.15 of the Revised Code has been complied with.

If any law enforcement agency has reasonable grounds to believe that a charitable organization, distributor, or manufacturer or an officer, agent, trustee, member, or employee of the organization, distributor, or manufacturer 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~~ commission when commencing an action as described in this division.

(I) No person shall destroy, alter, conceal, withhold, or deny access to any accounts or records of a charitable organization, distributor, or manufacturer that have been requested for examination, or obstruct, impede, or interfere with any inspection, audit, or observation of bingo or a game of chance, of premises where bingo or a game of chance is conducted, or of premises where bingo supplies are manufactured or distributed, or refuse to comply with any reasonable request of, or obstruct, impede, or interfere with any other reasonable action undertaken by, the ~~attorney general~~ commission or a law enforcement agency pursuant to division (H) of this section.

(J) Whoever violates division (A) or (I) of this section is guilty of a misdemeanor of the first degree.

Sec. ~~2915.11~~ 3768.15. (A) No person shall be a bingo game operator unless ~~he~~ the person is eighteen years of age or older.

(B) No person who has been convicted of a felony or a

gambling offense in any jurisdiction shall be a bingo game operator.

(C) Whoever violates division (A) of this section is guilty of a misdemeanor of the third degree.

(D) Whoever violates division (B) of this section is guilty of a misdemeanor of the first degree.

Sec. ~~2915.081~~ 3768.16. (A) No distributor shall sell, offer to sell, or otherwise provide or offer to provide bingo supplies to another person, or modify, convert, add to, or remove parts from bingo supplies to further their promotion or sale, for use in this state without having obtained a license from the ~~attorney general~~ commission under this section.

(B)(1) The ~~attorney general~~ commission may issue a distributor license to any person that meets the requirements of this section. The application for the license shall be on a form prescribed by the ~~attorney general~~ commission and be accompanied by the annual fee prescribed by this section. The license is valid for a period of one year, and the annual fee for the license is five thousand dollars.

(2) Upon applying for or renewing a license under this section, an applicant shall file with and have approved by the ~~attorney general~~ commission a bond in which the applicant shall be the principal obligor, in the sum of fifty thousand dollars, with one or more sureties authorized to do business in this state. The applicant shall maintain the bond in effect as long as the license is valid; however, the liability of the surety under the bond shall not exceed an all-time aggregate liability of fifty thousand dollars. The bond, which may be in the form of a rider to a larger blanket liability bond, shall run to the

state and to any person who may have a cause of action against the principal obligor of the bond for any liability arising out of a violation by the obligor of any provision of this chapter or any rule adopted pursuant to this chapter.

(C) The ~~attorney general~~ commission may refuse to issue a distributor license to any person to which any of the following applies, or to any person that has an officer, partner, or other person who has an ownership interest of ten per cent or more and to whom any of the following applies:

(1) The person, officer, or partner has been convicted of a disqualifying offense as determined in accordance with section 9.79 of the Revised Code.

(2) The person, officer, or partner has made an incorrect or false statement that is material to the granting of a license in an application submitted to the ~~attorney general~~ commission under this section or in a similar application submitted to a gambling licensing authority in another jurisdiction if the statement resulted in license revocation through administrative action in the other jurisdiction.

(3) The person, officer, or partner has submitted any incorrect or false information relating to the application to the ~~attorney general~~ commission under this section, if the information is material to the granting of the license.

(4) The person, officer, or partner has failed to correct any incorrect or false information that is material to the granting of the license in the records required to be maintained under division (F) of section ~~2915.10~~ 3768.14 of the Revised Code.

(5) The person, officer, or partner has had a license

related to gambling revoked or suspended under the laws of this state, another state, or the United States.

(6) The ~~attorney general~~ commission has good cause to believe that a person, officer, or partner has committed a breach of fiduciary duty, theft, or other type of misconduct related to a charitable organization that has obtained a bingo license issued under this chapter.

(D) The ~~attorney general~~ commission shall not issue a distributor license to any person that is involved in the conduct of bingo on behalf of a charitable organization or that is a lessor of premises used for the conduct of bingo. This division does not prohibit a distributor from advising charitable organizations on the use and benefit of specific bingo supplies or prohibit a distributor from advising a customer on operational methods to improve bingo profitability.

(E)(1) No distributor shall sell, offer to sell, or otherwise provide or offer to provide bingo supplies to any person, or modify, convert, add to, or remove parts from bingo supplies to further their promotion or sale, for use in this state except to or for the use of a charitable organization that has been issued a license under section ~~2915.08~~ 3768.04 of the Revised Code or to another distributor that has been issued a license under this section. No distributor shall accept payment for the sale or other provision of bingo supplies other than by check or electronic fund transfer.

(2) No distributor may donate, give, loan, lease, or otherwise provide any bingo supplies or equipment, or modify, convert, add to, or remove parts from bingo supplies to further their promotion or sale, to or for the use of a charitable organization for use in a bingo session conditioned on or in

consideration for an exclusive right to provide bingo supplies to the charitable organization. A distributor may provide a licensed charitable organization with free samples of the distributor's products to be used as prizes or to be used for the purpose of sampling.

(3) No distributor shall purchase bingo supplies for use in this state from any person except from a manufacturer issued a license under section ~~2915.082~~ 3768.17 of the Revised Code or from another distributor issued a license under this section. Subject to division (D) of section ~~2915.082~~ 3768.17 of the Revised Code, no distributor shall pay for purchased bingo supplies other than by check or electronic fund transfer.

(4) No distributor shall participate in the conduct of bingo on behalf of a charitable organization or have any direct or indirect ownership interest in a premises used for the conduct of bingo.

(5) No distributor shall knowingly solicit, offer, pay, or receive any kickback, bribe, or undocumented rebate, directly or indirectly, overtly or covertly, in cash or in kind, in return for providing bingo supplies to any person in this state.

(F)(1) No distributor shall knowingly sell, offer to sell, or otherwise provide or offer to provide an electronic instant bingo system to any person for use in this state, or install, maintain, update, or repair an electronic instant bingo system, without first obtaining an electronic instant bingo distributor endorsement to the person's distributor license issued under this section. An applicant for a distributor license under this section may apply simultaneously for an electronic instant bingo distributor endorsement to that license.

(2) An applicant for an electronic instant bingo distributor endorsement shall submit the application on a form prescribed by the ~~attorney general~~ commission and shall submit one complete set of fingerprints directly to the superintendent of the bureau of criminal identification and investigation for the purpose of conducting a criminal records check. The applicant shall provide the fingerprints using a method the superintendent prescribes pursuant to division (C)(2) of section 109.572 of the Revised Code and shall fill out the form the superintendent prescribes pursuant to division (C)(1) of that section. Upon receiving an application for an electronic instant bingo distributor endorsement, the ~~attorney general~~ commission shall request the superintendent, or a vendor approved by the bureau, to conduct a criminal records check based on the applicant's fingerprint impressions in accordance with division (A)(18) of that section. The applicant shall pay any fee required under division (C)(3) of that section.

(3) The ~~attorney general~~ commission shall not issue an electronic instant bingo distributor endorsement to an applicant unless the ~~attorney general~~ commission has received the results of the criminal records check described in division (F)(2) of this section. The attorney general shall not issue an electronic instant bingo distributor endorsement to an applicant if the applicant, any officer or partner of the applicant, or any person who has an ownership interest of ten per cent or more in the applicant has violated any provision of this chapter or any rule adopted by the ~~attorney general~~ commission under this chapter or has violated any existing or former law or rule of this state, any other state, or the United States that is substantially equivalent to any provision of this chapter or any rule adopted by the ~~attorney general~~ commission under this

chapter.

(4) An electronic instant bingo distributor endorsement issued under this section shall be valid for the period of the underlying distributor license.

(G) The ~~attorney general~~ commission may suspend, place limits, restrictions, or probationary conditions on, or revoke a distributor license or an electronic instant bingo distributor endorsement, for a limited or indefinite period of time at the ~~attorney general's~~ commission's discretion, for any of the following reasons:

(1) Any reason for which the ~~attorney general~~ commission may refuse to issue the license or endorsement;

(2) The distributor holding the license or endorsement violates any provision of this chapter or any rule adopted by the ~~attorney general~~ commission under this chapter;

(3) The distributor or any officer, partner, or other person who has an ownership interest of ten per cent or more in the distributor is convicted of either of the following:

(a) A felony under the laws of this state, another state, or the United States;

(b) Any gambling offense.

(H) The ~~attorney general~~ commission may adopt rules for the application, acceptance, denial, suspension, revocation, limitation, restriction, or condition of a distributor license or endorsement, and to enforce any other provisions of this section, in accordance with Chapter 119. of the Revised Code.

(I) The ~~attorney general~~ commission may impose a civil fine on a distributor licensed or permitted under this chapter

for failure to comply with any restrictions, limits, or probationary conditions on its license, or for failure to comply with this chapter or any rule adopted under this chapter, according to a schedule of fines that the ~~attorney general~~ commission shall adopt in accordance with Chapter 119. of the Revised Code.

(J) Whoever violates division (A), (E), or (F) of this section is guilty of illegally operating as a distributor. Except as otherwise provided in this division, illegally operating as a distributor is a misdemeanor of the first degree. If the offender previously has been convicted of a violation of division (A), (E), or (F) of this section, illegally operating as a distributor is a felony of the fifth degree.

Sec. ~~2915.082~~ 3768.17. (A) No manufacturer shall sell, offer to sell, or otherwise provide or offer to provide bingo supplies for use in this state without having obtained a license from the ~~attorney general~~ commission under this section.

(B)(1) The ~~attorney general~~ commission may issue a manufacturer license to any person that meets the requirements of this section. The application for the license shall be on a form prescribed by the ~~attorney general~~ commission and be accompanied by the annual fee prescribed by this section. The license is valid for a period of one year, and the annual fee for the license is five thousand dollars.

(2) Upon applying for or renewing a license under this section, an applicant shall file with and have approved by the ~~attorney general~~ commission a bond in which the applicant shall be the principal obligor, in the sum of fifty thousand dollars, with one or more sureties authorized to do business in this state. The applicant shall maintain the bond in effect as long

as the license is valid; however, the liability of the surety under the bond shall not exceed an all-time aggregate liability of fifty thousand dollars. The bond, which may be in the form of a rider to a larger blanket liability bond, shall run to the state and to any person who may have a cause of action against the principal obligor of the bond for any liability arising out of a violation by the obligor of any provision of this chapter or any rule adopted pursuant to this chapter.

(C) The ~~attorney general~~ commission may refuse to issue a manufacturer license to any person to which any of the following applies, or to any person that has an officer, partner, or other person who has an ownership interest of ten per cent or more and to whom any of the following applies:

(1) The person, officer, or partner has been convicted of a disqualifying offense as determined in accordance with section 9.79 of the Revised Code.

(2) The person, officer, or partner has made an incorrect or false statement that is material to the granting of a license in an application submitted to the ~~attorney general~~ commission under this section or in a similar application submitted to a gambling licensing authority in another jurisdiction if the statement resulted in license revocation through administrative action in the other jurisdiction.

(3) The person, officer, or partner has submitted any incorrect or false information relating to the application to the ~~attorney general~~ commission under this section, if the information is material to the granting of the license.

(4) The person, officer, or partner has failed to correct any incorrect or false information that is material to the

granting of the license in the records required to be maintained under division (G) of section ~~2915.10~~ 3768.14 of the Revised Code.

(5) The person, officer, or partner has had a license related to gambling revoked or suspended under the laws of this state, another state, or the United States.

(6) The ~~attorney general~~ commission has good cause to believe that the person, officer, or partner has committed a breach of fiduciary duty, theft, or other type of misconduct, related to a charitable organization that has obtained a bingo license under this chapter.

(D)(1) No manufacturer shall sell, offer to sell, or otherwise provide or offer to provide bingo supplies to any person for use in this state except to a distributor that has been issued a license under section ~~2915.081~~ 3768.16 of the Revised Code. No manufacturer shall accept payment for the sale of bingo supplies other than by check or electronic fund transfer.

(2) No manufacturer shall knowingly solicit, offer, pay, or receive any kickback, bribe, or undocumented rebate, directly or indirectly, overtly or covertly, in cash or in kind, in return for providing bingo supplies to any person in this state.

(E)(1) No manufacturer shall knowingly sell, offer to sell, or otherwise provide or offer to provide an electronic instant bingo system to any person for use in this state, or submit an electronic instant bingo system for testing and approval under section ~~2915.15~~ 3768.12 of the Revised Code, without first obtaining an electronic instant bingo manufacturer endorsement to the person's manufacturer license issued under

this section. An applicant for a manufacturer license under this section may apply simultaneously for an electronic instant bingo manufacturer endorsement to that license.

(2) A manufacturer licensed under this section may only sell, offer to sell, or otherwise provide or offer to provide electronic instant bingo systems that contain proprietary software owned by or licensed to the manufacturer. If the proprietary software is licensed to the manufacturer, the manufacturer shall provide a copy of the license along with the application for an endorsement under this section.

(3) An applicant for an electronic instant bingo manufacturer endorsement shall submit the application on a form prescribed by the ~~attorney general~~ commission and shall submit one complete set of fingerprints directly to the superintendent of the bureau of criminal identification and investigation for the purpose of conducting a criminal records check. The applicant shall provide the fingerprints using a method the superintendent prescribes pursuant to division (C)(2) of section 109.572 of the Revised Code and shall fill out the form the superintendent prescribes pursuant to division (C)(1) of that section. Upon receiving an application for an electronic instant bingo manufacturer endorsement, the ~~attorney general~~ commission shall request the superintendent, or a vendor approved by the bureau, to conduct a criminal records check based on the applicant's fingerprint impressions in accordance with division (A)(18) of that section. The applicant shall pay any fee required under division (C)(3) of that section.

(4) The ~~attorney general~~ commission shall not issue an electronic instant bingo manufacturer endorsement to an applicant unless the ~~attorney general~~ commission has received

the results of the criminal records check described in division (E)(3) of this section. The ~~attorney general~~ commission shall not issue an electronic instant bingo manufacturer endorsement to an applicant if the applicant, any officer or partner of the applicant, or any person who has an ownership interest of ten per cent or more in the applicant has violated any existing or former law or rule of this state, any other state, or the United States that is substantially equivalent to any provision of this chapter or any rule adopted by the ~~attorney general~~ commission under this chapter.

(F)(1) The ~~attorney general~~ commission may suspend, place limits, restrictions, or probationary conditions on, or revoke a manufacturer license or an electronic instant bingo manufacturer endorsement for a limited or indefinite period of time for any of the following reasons:

(a) Any reason for which the ~~attorney general~~ commission may refuse to issue the license or endorsement;

(b) The manufacturer holding the license or endorsement violates any provision of this chapter or any rule adopted by the ~~attorney general~~ commission under this chapter;

(c) The manufacturer or any officer, partner, or other person who has an ownership interest of ten per cent or more in the manufacturer is convicted of either of the following:

(i) A felony under the laws of this state, another state, or the United States;

(ii) Any gambling offense.

(2) The ~~attorney general~~ commission may perform an onsite inspection of a manufacturer of bingo supplies that is selling, offering to sell, or otherwise providing or offering to provide

bingo supplies or that is applying for a license to sell, offer to sell, or otherwise provide or offer to provide bingo supplies in this state.

(3)(a) The ~~attorney general~~ commission shall establish by rule an application and renewal fee for an electronic instant bingo manufacturer endorsement in an amount sufficient to cover the costs the ~~attorney general~~ commission incurs in processing applications for electronic instant bingo manufacturer endorsements and investigating an applicant's suitability.

(b) If the cost of processing a particular application and investigating the applicant's suitability exceeds the amount of the application and renewal fee, the ~~attorney general~~ commission may charge the applicant an additional fee as necessary to cover that cost.

(c) The ~~attorney general~~ commission shall not issue an electronic instant bingo manufacturer endorsement unless the ~~attorney general~~ commission has received payment in full from the applicant for all fees to be charged under this section.

(G) The ~~attorney general~~ commission may adopt rules for the application, acceptance, denial, suspension, revocation, limitation, restriction, or condition of a manufacturer license or endorsement described in this section, and to enforce any other provisions of this section, in accordance with Chapter 119. of the Revised Code.

(H) The ~~attorney general~~ commission may impose a civil fine on a manufacturer licensed or permitted under this chapter for failure to comply with any restrictions, limits, or probationary conditions on its license, and for failure to comply with this chapter or any rule adopted under this chapter,

according to a schedule of fines that the ~~attorney general~~ commission shall adopt in accordance with Chapter 119. of the Revised Code.

(I) Whoever violates division (A), (D), or (E) of this section is guilty of illegally operating as a manufacturer. Except as otherwise provided in this division, illegally operating as a manufacturer is a misdemeanor of the first degree. If the offender previously has been convicted of a violation of division (A), (D), or (E) of this section, illegally operating as a manufacturer is a felony of the fifth degree.

Sec. ~~2915.07~~ 3768.18. (A) No person, except a charitable organization that has obtained a license pursuant to section ~~2915.08~~ 3768.04 of the Revised Code, shall conduct or advertise bingo. This division does not apply to a raffle that a charitable organization conducts or advertises.

(B) Whoever violates this section is guilty of conducting illegal bingo, a felony of the fourth degree.

Sec. ~~2915.12~~ 3768.19. (A) Sections ~~2915.07~~ 3768.02 to ~~2915.15~~ 3768.18 of the Revised Code do not apply to bingo games that are conducted for the purpose of amusement only. A bingo game is conducted for the purpose of amusement only if it complies with all of the requirements specified in either division (A)(1) or (2) of this section:

(1)(a) The participants do not pay any money or any other thing of value including an admission fee, or any fee for bingo cards or sheets, objects to cover the spaces, or other devices used in playing bingo, for the privilege of participating in the bingo game, or to defray any costs of the game, or pay tips or

make donations during or immediately before or after the bingo game.

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

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

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

(i) A bingo session during which a charitable bingo game is conducted pursuant to ~~sections 2915.07 to 2915.11 of the Revised Code~~ this chapter;

(ii) A scheme or game of chance, or bingo described in division ~~(O)(2)~~ (A)(2) of section ~~2915.01~~ 3768.01 of the Revised Code.

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

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

(b) The total amount of money paid by all of the

participants for bingo cards or sheets, objects to cover the spaces, or other devices used in playing bingo does not exceed one hundred dollars.

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

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

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

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

(i) A bingo session during which a charitable bingo game is conducted pursuant to ~~sections 2915.07 to 2915.15 of the Revised Code~~ this chapter;

(ii) A scheme of chance or game of chance, or bingo described in division ~~(O)(2)~~ (A)(2) of section ~~2915.01~~ 3768.01 of the Revised Code.

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

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

(B) The ~~attorney general~~ commission 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~~ commission when commencing the action.

Sec. ~~173.121~~ 3768.20. ~~(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~~ 3768.02 to ~~2915.13~~ 3768.18 of the Revised Code, a multipurpose senior center described in section 173.11 of the Revised Code may conduct bingo games described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code, but only if it complies with all of the following requirements:

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

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

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

~~(4)~~ (D) 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)~~ (E) All proceeds from games are used only for any of the following:

~~(a)~~ (1) To pay winners monetary or nonmonetary prizes;

~~(b)~~ (2) To provide refreshments;

~~(c)~~ (3) To defray any costs directly related to conducting the games;

~~(d)~~ (4) To defray costs of services the facility provides in accordance with section 173.12 of the Revised Code.

Sec. ~~5907.18~~ 3768.21. ~~(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~~ 3768.02 to 3768.18 of the Revised Code, an Ohio veterans' home described in Chapter 5907. of the Revised Code may conduct bingo games as described in division ~~(O)(1)~~ (A)(1) of section ~~2915.01~~ 3768.01 of the Revised Code, but only if the Ohio veterans' home complies with all of the following requirements:

~~(1)~~ (A) All bingo games are conducted only on the premises of the Ohio veterans' home.

~~(2)~~ (B) All participants are residents of the Ohio veterans' home and are eighteen years of age or older.

~~(3)~~ (C) All bingo game operators receive no compensation for serving as an operator.

~~(4)~~ (D) Participants do not pay any money or any other thing of value, including an admission fee, or any fee for bingo cards or sheets, objects to cover the spaces, or other devices used in playing bingo, for the privilege of participating in the bingo game, or to defray any costs of the game, or pay tips or make donations during or immediately before or after the bingo game.

~~(5)~~ (E) Prizes awarded during a game may be monetary or

nonmonetary prizes in the form of merchandise, goods, or entitlements to goods or services, provided that individual prizes do not exceed one hundred dollars in value, and the total value of all prizes awarded during a game do not exceed five hundred dollars.

~~(6)~~ (F) The bingo game is not conducted during or within ten hours of any of the following activities conducted at the Ohio veterans' home:

~~(a)~~ (1) A bingo session during which a charitable bingo game is conducted pursuant to ~~sections 2915.07 to 2915.11 of the Revised Code~~ this chapter;

~~(b)~~ (2) A scheme of chance or game of chance; or

~~(c)~~ (3) Bingo as described in division ~~(O)(2)~~ (A)(2) of section ~~2915.01~~ 3768.01 of the Revised Code.

~~(7)~~ (G) The bingo games are conducted on different days of the week and not more than twice in a calendar week.

Sec. 3768.22. The commission may take any necessary and reasonable action to determine a violation of this chapter, including requesting documents and information, performing inspections of premises, or requiring the attendance of any person at an examination under oath.

Sec. 3768.23. The charitable gaming fund is created in the state treasury. All fees received by the commission under this chapter shall be deposited in the fund. Money in the fund shall be used for the following purposes:

(A) Upon any authorized transfer to the charitable law fund established under section 109.32 of the Revised Code, for the purpose of paying the expenses of the charitable law section

of the office of the attorney general;

(B) Upon any authorized transfer to the casino control commission fund, as defined in section 3772.01 of the Revised Code, for the purpose of paying the expenses of the commission in fulfilling its duties.

Sec. 3769.01. As used in this chapter, except where the context requires otherwise:

(A) "Collection and settlement agent" means the permit holder designated by the commission under division (B) of section 3769.0810 of the Revised Code.

(B) "Commission" means the Ohio casino control commission established under section 3772.02 of the Revised Code. For purposes of division (C)(3)(e) of Section 6 of Article XV, Ohio Constitution, the Ohio casino control commission is an Ohio state racing commission.

(C) "Live racing day" means a racing day on which a live racing program is conducted by the permit holder along with simulcasts of all other available racing programs from within this state and simulcast racing programs from outside this state as authorized under section 3769.089 of the Revised Code.

(D) "Live racing program" means a racing program consisting of no fewer than seven live horse races at thoroughbred tracks and nine live races at standardbred tracks and additional horse races simulcast from other facilities located either inside or outside this state, in which not more than two horse races on which pari-mutuel wagering is conducted are simulcast from facilities located outside this state. If only one racing meeting of a particular breed of horse is being held, no fewer than nine live horse races shall be held on a

live racing day. If, during the course of a racing meeting at a standardbred track, the racing secretary of the permit holder determines that there is an insufficient number of entries to have a full field of eight horses for each of nine races on a live racing program, then the racing secretary of the permit holder, after consultation with the Ohio harness horsemens association, may reduce the number of live races on that live racing program, as the racing secretary may determine. The racing secretary shall not reduce the live racing program to less than seven live races. If during the course of a meeting at a thoroughbred track, the racing secretary of a permit holder determines that there is an insufficient number of entries to have a full field of eight horses for each of nine races on a live racing program, then the racing secretary of the permit holder, with the consent of the thoroughbred horsemens association, may reduce the number of live races on that live racing program, as the racing secretary may determine. The racing secretary shall not reduce the live racing program to less than seven live races. No more than seventeen races on which pari-mutuel wagering is conducted, including both live races and races simulcast from other facilities located either inside or outside this state, shall be part of a live racing program.

(E) "Ohio voluntary exclusion program" has the same meaning as in section 3772.01 of the Revised Code.

(F) "Permit" means a document issued by the commission that allows a person to conduct horse racing at which pari-mutuel wagering is conducted, in accordance with this chapter.

(G) "Permit holder" means a person who has been issued a valid permit under this chapter.

(H) "Racing day" means any day authorized under a permit holder's permit on which, at a simulcast host, either a live racing program is conducted as authorized under section 3769.07 of the Revised Code or a simulcast racing program is conducted as authorized under section 3769.089 of the Revised Code.

(I) "Satellite facility" means any facility that is approved by the commission and at which pari-mutuel wagering is conducted under section 3769.26 of the Revised Code. "Satellite facility" does not include a track.

(J) "Simulcast" means the telecast, for wagering purposes, of audio and visual signals of live horse races conducted at facilities either inside or outside this state.

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

(L) "Simulcast host" means a race track in this state where, on a racing day, a permit holder is doing one or both of the following:

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

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

(M) "Simulcast racing program" means all simulcasts of horse races to a simulcast host or simulcast guest on a racing day or on any other day on which pari-mutuel wagering is conducted, but does not include any simulcast horse races from inside or outside this state that are included in a simulcast

host's live racing program.

(N) "Special racing event" means individual races in live racing programs or simulcast racing programs, and simulcast racing programs on special event days under division (C) of section 3769.089 of the Revised Code, conducted at facilities located outside this state for which the track, racing association, or state regulatory agency conducting such races charges a simulcast host a fee for the privilege of receiving a simulcast of such races into this state that is higher than the customary and regular fee charged for simulcast races because of the status or popularity of such races.

(O) "Track" means any place, track, or enclosure where a permit holder conducts live horse racing for profit at a race meeting.

(P) "Video lottery sales agent," "video lottery terminal," "video lottery terminal income," and "video lottery terminal promotional gaming credit" have the same meanings as in section 3770.01 of the Revised Code.

Sec. ~~3769.01~~ 3769.02. No person, association, corporation, or trust shall hold, conduct, assist, or aid and abet in holding or conducting any meetings, at which horse racing is permitted for any stake, purse, or award unless such person, association, corporation, or trust secures a permit to conduct a horse-racing meeting and complies with ~~sections 3769.01 to 3769.14 of the Revised Code~~ this chapter.

~~Such sections shall apply~~ This chapter applies only to the racing of horses and ~~do~~ does not prevent the use of any grounds, enclosure, or race track, whether or not owned or controlled by a permit holder, for any county or state fair, agricultural or

livestock exhibition, horse show, or any horse racing where the pari-mutuel system of wagering upon the result of such horse racing is not permitted or allowed. This section does not permit the pari-mutuel method of wagering upon any race track unless a permit is secured as provided in ~~sections 3769.04 to 3769.06 of the Revised Code~~ this chapter.

Sec. 3769.03. The ~~state racing~~ commission shall prescribe the rules and conditions under which horse racing may be conducted and may issue, deny, suspend, diminish, or revoke permits to conduct horse racing as authorized by ~~sections 3769.01 to 3769.14 of the Revised Code~~ this chapter. The commission may impose, in addition to any other penalty imposed by the commission, fines in an amount not to exceed ten thousand dollars on any permit holder or any other person who violates the rules or orders of the commission. The commission may prescribe the forms of wagering that are permissible, the number of races, the procedures on wagering, and the wagering information to be provided to the public.

The commission may require totalizator equipment to display the amount of wagering in each wagering pool. The commission shall initiate safeguards as necessary to account for the amount of money wagered at each track in each wagering pool. It may require permit holders to install equipment that will provide a complete check and analysis of the functioning of any computers and require safeguards on their performance. The commission shall require all permit holders, except those holding state fair, county fair, or other fair permits, to provide a photographic recording, approved by the commission, of the entire running of all races conducted by the permit holder.

The ~~state racing~~ commission may issue, deny, suspend, or

revoke licenses to those persons engaged in racing and to those employees of permit holders, as described in section 3769.031 of the Revised Code. The commission, as is in the public interest for the purpose of maintaining proper control over horse-racing meetings, also may rule any person off a permit holder's premises.

~~There is hereby created in the state treasury the state racing commission operating fund.~~ All license fees established and collected by the commission pursuant to this section or section 3769.031 of the Revised Code, and the amounts specified in divisions (B) and (C) of section 3769.08 and division (A)(5) of section 3769.087 of the Revised Code, shall be paid into the state treasury to the credit of the casino control commission fund described in section 3772.01 of the Revised Code. ~~Moneys in the fund shall be expended by the commission to defray its operating costs, salaries and expenses, and the cost of administering and enforcing this chapter.~~

The commission may deny a permit to any permit holder that has defaulted in payments to the public, employees, or the horsemen and may deny a permit to any successor purchaser of a track for as long as any of those defaults have not been satisfied by either the seller or purchaser.

The commission shall deny a permit to any permit holder that has defaulted in payments to the state or has defaulted in payments required under section 3769.089 or 3769.0810 of the Revised Code and shall deny a permit to any successor purchaser of a track for as long as those defaults have not been satisfied by either the seller or purchaser.

~~The commission may sue and be sued in its own name. Any action against the commission shall be brought in the court of~~

~~common pleas of Franklin county.~~ Any appeal from a determination or decision of the commission rendered in the exercise of its powers and duties under this chapter shall be brought in the court of common pleas of Franklin county.

The commission, biennially, shall make a full report to the governor of its proceedings under this chapter for the two-year period ending with the thirty-first day of December preceding the convening of the general assembly and shall include its recommendations in the report. The commission, semiannually, on the thirtieth day of June and on the thirty-first day of December of each year, shall make a report and accounting to the governor regarding its activities under this chapter.

Sec. 3769.031. (A) The ~~state racing~~ commission may issue, deny, suspend, or revoke licenses to those persons engaged in racing and to those employees of permit holders as is in the public interest for the purpose of maintaining a proper control over horse-racing meetings, subject to the requirements of this section.

(B)(1) The commission shall adopt rules under Chapter 119. of the Revised Code prescribing the following licenses to be issued, including the activities regulated under each license, the qualifications and other requirements to receive and maintain each license, and the fees that apply to the license:

(a) The following racing official licenses: state steward, steward, program director, director of racing, general manager, racing secretary, assistant racing secretary, horsemen's bookkeeper, identifier, presiding judge, paddock judge, placing judge, judge, clerk of course, clerk of scales, jockey room custodian, announcer, starter, timer, photographer, and

videographer, provided that the license fee for a general manager shall not exceed seventy-five dollars;

(b) The following participant licenses: primary and secondary stable name, owner, partnership, person eligible to claim, authorized agent, thoroughbred breeder, trainer, assistant trainer, driver-trainer, driver, jockey, apprentice jockey, jockey agent, outrider, pony person, exercise rider, valet, and supply salesperson;

(c) The following equine care licenses: veterinarian, veterinarian's assistant, dentist, horseshoer, and groom;

(d) The following wagering licenses: management services company and totalizator company~~, totalizator company management supervisory employee, totalizator company employee, and mutuel employee~~;

(e) A fair license, which shall not require the payment of any fee, to be issued for the following positions: racing official, owner, quarter horse participant, driver-trainer, and groom~~, totalizator, and mutuel employee;~~

~~(f) The following race track facility licenses: security, medical and first aid, concession employee, and maintenance, provided that the license fee for a medical and first aid worker shall not exceed ten dollars~~.

(2) The commission shall issue only the licenses listed in division (B)(1) of this section with respect to horse racing. No license issued by the commission is required to hold any position that is not listed in that division.

(C)(1) Applicants for licenses issued by the commission shall submit their fingerprints to the commission, and the commission may forward the fingerprints to the federal bureau of

investigation or to any other agency, or to both, for examination.

(2) Each license issued by the commission, unless revoked for cause, shall be for the period of one year from the first day of January of the year in which it is issued, except as otherwise provided in section 3769.07 of the Revised Code.

(3) The commission shall issue a license to a person engaged in racing or an employee of a permit holder in accordance with Chapter 4796. of the Revised Code if that person or employee holds a license in another state, or that person or employee has satisfactory work experience, a government certification, or a private certification as described in that chapter in horse racing in a state that does not issue that license.

(4) Any violation of this chapter, of any rule of racing adopted by the commission, or of any law or rule with respect to racing in any jurisdiction shall be sufficient reason for a refusal to issue a license, or a suspension or revocation of any license issued, pursuant to this section. With respect to the issuance, denial, suspension, or revocation of a license to a participant in horse racing, the action of the commission is subject to Chapter 119. of the Revised Code.

(D)(1) An individual described in division (A) of section 3772.13 of the Revised Code shall hold a valid key gaming employee license issued by the commission under that section at all times.

(2) An individual whose duties with respect to pari-mutuel wagering on horse racing are as described in division (A) of section 3772.131 of the Revised Code shall hold a valid gaming

employee license issued by the commission under that section at all times, provided that an individual who is licensed under division (B) of this section is not required to hold a gaming employee license in addition to that license.

Sec. 3769.04. Any person, association, corporation, or trust desiring to hold or conduct a horse-racing meeting, wherein the pari-mutuel system of wagering is allowed, shall make application to the ~~state racing~~ commission for a permit to do so. Each application, accompanied by a permit fee of ten dollars and a cash bond, certified check, or bank draft, shall be filed with the commission at least five days prior to the first day of each horse-racing meeting that the person, association, corporation, or trust proposes to hold or conduct. The application, if made by an individual, shall be signed and verified under oath by the individual and, if made by individuals or a partnership, shall be signed and verified under oath by one of the individuals or a member of the partnership. If made by an association, trust, or corporation, the application shall be signed by its president or vice-president and attested by the secretary or assistant secretary under the seal of the association, trust, or corporation, if it has a seal, and shall also be verified under oath by one of the officers signing the application. The commission shall prescribe forms to be used in making the application. The application shall specify the name of the person, association, trust, or corporation making such application, the post-office address of the applicant (if a corporation, the name of the state of its incorporation), the dates on which the applicant intends to conduct or hold such horse-racing meeting, which dates shall be successive days, including Sundays unless otherwise requested by the applicant and authorized by the commission, the hours of

each racing day during which the applicant intends to hold or conduct horse racing at such meeting, which shall be during the hours specified pursuant to section 3769.07 of the Revised Code, the location of the place, track, or enclosure where it is proposed to hold or conduct such horse-racing meeting, and such further information as the commission prescribes.

If the application requests a permit for a horse-racing meet at a location at which such a meet has not previously been conducted by permission of the commission, then, in addition to the other requirements for the application, there shall accompany the application a petition signed by at least fifty-one per cent of the qualified electors voting for governor at the most recent general election in the townships in which the racing meet is proposed to be conducted, together with a certificate of the board of elections of the counties in which such townships are situated that the signatures on the petition are valid and comply with this section. No petition or certificate shall be required for a transfer made under section 3769.13 of the Revised Code if the transfer is to a county in which racing has previously been conducted pursuant to a permit issued under section 3769.06 of the Revised Code.

Such petition shall be in the following form:

"We, the undersigned, electors of _____ township, _____ county, Ohio request the granting of the application of _____ for a horse-racing meet to be conducted in whole or in part in _____ township, _____ Ohio in the year _____

Name	Address	Voting Precinct	Township

_____"

Such petition shall be sworn to in the manner provided in section 3513.27 of the Revised Code. This section does not apply to small horse-racing meets or horse shows which are not required to secure permits under section ~~3769.01~~ 3769.02 of the Revised Code, nor shall this section, other than the first paragraph, apply to county fair horse-racing meets.

Sec. 3769.041. (A) Any information concerning the following that is submitted, collected, or gathered as part of an application to the ~~state racing~~ commission for a license or permit under this chapter is confidential and not subject to disclosure by a state agency or political subdivision as a public record under section 149.43 of the Revised Code:

(1) A minor child of an applicant;

(2) The social security number, passport number, or federal tax identification number of an applicant or of the spouse of an applicant;

(3) The home address and telephone number of an applicant or of the spouse or dependent of an applicant;

(4) An applicant's birth certificate;

(5) The driver's license number of an applicant or of the applicant's spouse;

(6) The name or address of a previous spouse of the applicant;

(7) The date of birth of the applicant and of the spouse of an applicant;

(8) The place of birth of the applicant and of the spouse of an applicant;

(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;

(10) Any information concerning a victim of domestic violence, sexual assault, or stalking;

(11) The electronic mail address of the spouse or family member of the applicant;

(12) Any trade secret, medical records, and patents or exclusive licenses;

(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;

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

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

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

(2) A copy of a letter providing the reasons for the denial of an applicant's license or permit and a copy of a letter providing the reasons for the commission's refusal to allow an applicant to withdraw the applicant's application, but

with confidential information redacted if that information is the reason for the denial or refusal to withdraw.

(C) 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 license or permit under this chapter is not confidential. The reason for denial or revocation of a license or permit or for disciplinary action against the individual is not confidential. The cover sheet completed by an applicant for a key employee license is not confidential.

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

(E) Confidential information received by the commission from another jurisdiction relating to a person who holds, held, or has applied for a license or permit 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 referenced in this division with, or disclose the information to, the inspector general, any appropriate prosecuting authority, any law enforcement agency, or any other appropriate governmental or licensing agency, if the agency that receives the information complies with the same requirements regarding confidentiality as those with which the commission must comply.

Sec. 3769.05. At the time of making application for a permit to conduct a horse-racing meeting, the applicant shall deposit with the ~~state racing~~ commission a cash bond, certified check, or bank draft, payable to the order of the commission, in an amount equal to one hundred dollars for each day petitioned

for in said application. At the close of the last day of the horse-racing meeting, for which a permit is issued, as provided for in section 3769.06 of the Revised Code, the commission shall refund to such permit holder the sum of one hundred dollars for each racing day the permit holder paid to the state tax commissioner the tax due for said day, as provided for and at the rate stipulated in section 3769.08 of the Revised Code. In harness horse-racing meetings, if any full day's racing is declared off by the judges because of inclement weather or a muddy track, the commission shall refund to the permit holders the sum of one hundred dollars of their deposit for each such day.

Sec. 3769.06. Upon the proper filing of an application to conduct a horse-racing meeting accompanied by a permit fee and a cash bond, certified check, or bank draft by any person, association, trust, or corporation, not in default of payment of any obligation or debt due to the state under sections 3769.01 to 3769.14 of the Revised Code, the ~~state racing~~ commission may issue a permit to such applicant to hold or conduct a horse-racing meeting. Such permit shall specify:

(A) The person, association, trust, or corporation to whom the same is issued;

(B) The days upon which such horse-racing meeting is to be held or conducted;

(C) The hours of such days between which live racing programs will be permitted;

(D) The location of the place, track, or enclosure where such horse-racing meeting is to be held or conducted. Such permit shall receipt the payment of the permit fee and deposit

of the cash bond, certified check, or bank draft, by the applicant. Every permit shall contain a condition that all horse races or racing meetings, conducted thereunder, shall be subject to the rules and conditions prescribed and promulgated by the commission. The commission may refuse to award days or to issue a permit to any applicant if a permit previously issued to said applicant has been revoked under the authority of such sections. Such permit may be suspended, diminished, or revoked by the commission for any violation of such sections or of any rule of the commission. The commission shall immediately enter upon its record of proceedings a memorandum of its action in such suspension, diminution, or revocation and its reasons therefor. Such permit shall be nontransferable and shall apply only to the place, track, or enclosure specified in the permit, except as provided in section 3769.13 of the Revised Code.

Each permit issued under this section to hold or conduct a horse-racing meeting shall be issued for one year from the first day of January of the year for which it is issued. The holder of such permit shall be entitled to renewal of the permit upon application to the commission for a renewal, and the commission shall renew the permit unless the commission rejects the application for good cause, according to the procedures of Chapter 119. of the Revised Code.

Sec. 3769.07. (A) Except as otherwise provided in this section, no permit shall be issued under ~~sections 3769.01 to 3769.14 of the Revised Code~~ this chapter, authorizing the conduct of a live racing program for thoroughbred horses and quarter horses at any place, track, or enclosure except between the hours of twelve noon and seven p.m., for running horse-racing meetings, except that on special events days running horse-racing meetings may begin at nine a.m. by application to

the ~~state racing~~ commission and except that the seven p.m. time may be extended to eight p.m. on a Sunday or holiday by application to the commission, and no permit shall be issued under those sections authorizing the conduct of a live racing program for harness horses at any place, track, or enclosure except between the hours of twelve noon and twelve midnight for light harness horse-racing meetings. The seven p.m. and eight p.m. closing times described in this section shall upon application to the commission be extended to nine p.m. for any running horse-racing meeting conducted between the fifteenth day of May and the fifteenth day of September at a track that is located more than twenty-five miles from a track located in this state where a light harness horse-racing meeting, other than a light harness horse-racing meeting at a county fair or independent fair, is being conducted and that is located less than twenty-five miles from a track located outside this state. A permit issued for horse racing at a county fair shall authorize live horse racing to begin at nine a.m.

(B) No permit shall be granted for the holding or conducting of a horse-racing meeting after the tenth day of December in any calendar year, except for racing at winterized tracks. "Winterized track" means a track with enclosed club house or grandstand, all-weather racing track, heated facilities for jockeys or drivers, backstretch facilities that are properly prepared for winter racing, and adequate snow removal equipment available.

(C) No permit shall be issued for more than an aggregate of fifty-six racing days in any one calendar year, except that an additional five days of racing may be approved by the commission upon application by a permit holder and except that an additional thirty days of racing may be granted for racing at

any time after the fifteenth day of October and prior to the fifteenth day of March to a permit holder who has a winterized facility, but no more than thirty such additional days may be issued at any one track or enclosure. No more than an aggregate of fifty-six racing days shall be issued in any one calendar year for any one race track, place, or enclosure, except for the additional five days of racing for each permit holder which may be approved by the commission pursuant to this section, except as provided in sections 3769.071 and 3769.13 of the Revised Code, except for racing days granted as a result of a winterized facility, and except that the commission may issue a second permit for a maximum of fifty-six racing days for any one track, place, or enclosure, if the commission determines that the issuance of such second permit is not against the public interest. No such second permit shall be issued:

(1) For the operation of racing in any county with a population of less than seven hundred thousand or for the operation of racing in any county which has more than one race track at which a racing meet has been authorized, except as provided in this division and in sections 3769.071 and 3769.13 of the Revised Code, in the same year by the commission. A second permit issued pursuant to this division may be issued at either or both race tracks in a county that has only two race tracks if a racing meet has been authorized at both race tracks in the same year by the commission and one race track has been authorized to conduct thoroughbred racing meets and the other race track has been authorized to conduct harness racing meets. When such second permit is issued pursuant to this division for racing at the one race track, racing shall not be conducted at that race track on the same day that racing is conducted at the other race track in the county except by mutual agreement of the

two race tracks.

(2) To any corporation having one or more shareholders owning an interest in any other permit issued by the commission for the operation of racing, in the same year, at any other race track, place, or enclosure in this state;

(3) To any person, association, or trust which owns, or which has any members owning, an interest in any other permit issued by the commission for the operation of racing, in the same year, at any other race track, place, or enclosure in this state.

(D) No permit shall be issued so as to permit live racing programs on the same hour at more than one track in one county or on tracks in operation in 1975 within fifty miles of each other, nor shall any other form of pari-mutuel wagering other than horse racing be permitted within seventy-five miles of a track where horse racing is being conducted, except that this provision shall not apply to a horse-racing meeting held at the state fair or at a fair conducted by a county agricultural society or at a fair conducted by an independent agricultural society. Distribution of days shall not apply to fairs or horse shows not required to secure a permit under such section.

(E) Notwithstanding any contrary provision of ~~The~~ the Revised Code:

(1) No person or entity shall be issued permits to conduct horse-racing meetings at more than two facilities in this state at any one time.

(2) No person or entity shall be issued permits to conduct thoroughbred horse-racing meetings at more than one facility in this state at any one time.

(3) No person or entity shall be a management company for persons or entities that have been issued permits to conduct horse-racing meetings at more than two facilities in this state at any one time.

(4) A person or entity is not prohibited from owning more than two facilities in this state at which horse-racing meetings are conducted, so long as the person or entity is not in violation of division (E)(1), (2), or (3) of this section.

(F) A permit~~,~~ granted under ~~sections 3769.01 to 3769.14 of the Revised Code,~~ this chapter shall be conspicuously displayed during the horse-racing meeting in the principal office at such race track and at all reasonable times shall be exhibited to any authorized person requesting to see the same.

Sec. 3769.071. In addition to any permit authorized to be issued by this chapter, the ~~state racing~~ commission may issue not more than three permits for not more than fourteen consecutive racing days each at any race track, place, or enclosure. Not more than two permits shall be issued for quarter horse racing in one county. All racing under any permit issued pursuant to this section shall be limited to quarter horse racing only. This chapter applies to quarter horse racing, which shall be classified for this purpose the same as running horse racing. The minimum purse shall be five hundred dollars.

Sec. 3769.072. The commission shall grant to any track or enclosure that has fewer permits or total racing days available to it than another track or enclosure located within twenty miles a number of permits so that the total number of racing days available to both tracks or enclosures is equal. The ~~state racing~~ commission shall issue one additional permit for not more than sixty-one days to a permit holder issued a racing permit

under section 3769.07 of the Revised Code, if, on ~~the effective date of this section~~ September 19, 1996, such permit holder conducts racing at a track that is located within the same county as, or is located within twenty miles of, another track for which three or more permits have previously been issued by the commission under section 3769.07 of the Revised Code. If one of the three permits is for racing at a winterized facility, the new permit issued under this section shall be for thirty days. Further, in addition to any permit authorized to be issued by this chapter, the commission shall issue not more than two additional permits for not more than fourteen days each to a permit holder issued a racing permit under section 3769.07 of the Revised Code, if, on ~~the effective date of this section~~ September 19, 1996, such permit holder conducts racing at a track that is located within the same county as another track for which permits have previously been issued by the commission under section 3769.071 of the Revised Code. Permit holders receiving permits issued by the commission under this section may, but need not, conduct live racing programs under such a permit, subject to commission approval, but the number of racing days authorized by the permit shall be considered to be permit days for the purpose of section 3769.0810 of the Revised Code, whether or not live racing programs are conducted under that permit.

Sec. 3769.08. ~~(A) Any~~ (A)(1) The pari-mutuel method of wagering on live horse racing programs, and on simulcast horse racing programs as permitted under sections 3769.089 and 3769.26 of the Revised Code, is not unlawful. No person other than a permit holder or a management services company designated by a permit holder under section 3769.081 of the Revised Code shall conduct pari-mutuel wagering on horse racing. No person shall

conduct any other form of wagering on horse racing.

(2) A person holding a permit to conduct a horse-racing meeting may ~~provide a place in the race meeting grounds or enclosure at which the permit holder may conduct and supervise the~~ accept pari-mutuel ~~system of wagering by patrons of legal age~~ wagers only on the live racing programs and simulcast racing programs conducted by the permit holder, only from individuals who are eighteen years of age or older, and only using equipment and systems approved by the commission and, if applicable, provided by a licensed totalizator company.

~~The pari-mutuel method of wagering upon the live racing programs and simulcast racing programs held at or conducted within such race track, and at the time of such horse-racing meeting, or at other times authorized by the state racing commission, shall not be unlawful. No other place, except that provided and designated by the permit holder and except as provided in section 3769.26 of the Revised Code, nor any other method or system of betting or wagering on live racing programs and simulcast racing programs, except the pari-mutuel system, shall be used or permitted by the permit holder; nor, except as provided in section 3769.089 or 3769.26 of the Revised Code, shall the pari-mutuel system of wagering be conducted by the permit holder on any races except the races at the race track, grounds, or enclosure for which the person holds a permit.~~ (3) A permit holder may accept such a wager in person at the permit holder's track or satellite facility. A permit holder, other than a person who holds only a permit issued for a racing meeting at a fair, also may accept such a wager over the internet.

(4) Each permit holder may retain as a commission an

amount not to exceed eighteen per cent of the total of all moneys wagered on live racing programs and simulcast racing programs.

(5) The pari-mutuel wagering authorized by this section is subject to sections 3769.25 to 3769.28 of the Revised Code.

(6) A permit holder shall comply with all applicable requirements of Chapter 3772. of the Revised Code and the rules of the commission.

(B) At the close of each racing day, each permit holder authorized to conduct thoroughbred racing, out of the amount retained on that day by the permit holder, shall pay in the manner prescribed under section 3769.103 of the Revised Code, as a tax, a sum equal to the following percentages of the total of all moneys wagered on live racing programs on that day and shall separately compute and pay in the manner prescribed under section 3769.103 of the Revised Code, as a tax, a sum equal to the following percentages of the total of all money wagered on simulcast racing programs on that day:

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

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

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

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

Except as otherwise provided in section 3769.089 of the Revised Code, each permit holder authorized to conduct

thoroughbred racing shall use for purse money a sum equal to fifty per cent of the pari-mutuel revenues retained by the permit holder as a commission after payment of the state tax. This fifty per cent payment shall be in addition to the purse distribution from breakage specified in this section.

Subject to division (M) of this section, from the moneys paid to the tax commissioner by thoroughbred racing permit holders, one-half of one per cent of the total of all moneys so wagered on a racing day shall be paid into the Ohio fairs fund created by section 3769.082 of the Revised Code, one and one-eighth per cent of the total of all moneys so wagered on a racing day shall be paid into the Ohio thoroughbred race fund created by section 3769.083 of the Revised Code, and one-quarter of one per cent of the total of all moneys wagered on a racing day by each permit holder shall be paid into the ~~state racing~~ casino control commission ~~operating~~ fund ~~created by~~ described in section ~~3769.03~~ 3772.01 of the Revised Code. The required payment to the ~~state racing~~ casino control commission ~~operating~~ fund does not apply to county and independent fairs and agricultural societies. The remaining moneys may be retained by the permit holder, except as provided in this section with respect to the odd cents redistribution. Amounts paid into the nursing home franchise permit fee fund pursuant to this section and section 3769.26 of the Revised Code shall be used solely for the support of the PASSPORT program as determined in appropriations made by the general assembly. If the PASSPORT program is abolished, the amount that would have been paid to the nursing home franchise permit fee fund under this chapter shall be paid to the general revenue fund of the state. As used in this chapter, "PASSPORT program" has the same meaning as in section 173.51 of the Revised Code.

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

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

A permit holder may contract with a thoroughbred horsemen's organization for the organization to act as a representative of all thoroughbred owners and trainers participating in a horse-racing meeting conducted by the permit holder. A "thoroughbred horsemen's organization" is any corporation or association that represents, through membership or otherwise, more than one-half of the aggregate of all thoroughbred owners and trainers who were licensed and actively participated in racing within this state during the preceding calendar year. Except as otherwise provided in this paragraph, any moneys received by a thoroughbred horsemen's organization shall be used exclusively for the benefit of thoroughbred owners and trainers racing in this state through the administrative purposes of the organization, benevolent activities on behalf of the horsemen, promotion of the horsemen's rights and interests, and promotion of equine research. A thoroughbred horsemen's organization may expend not more than an aggregate of five per cent of its annual gross receipts, or a larger amount as approved by the organization, for dues, assessments, and other

payments to all other local, national, or international organizations having as their primary purposes the promotion of thoroughbred horse racing, thoroughbred horsemen's rights, and equine research.

(C) Except as otherwise provided in division (B) of this section, at the close of each racing day, each permit holder authorized to conduct harness or quarter horse racing, out of the amount retained that day by the permit holder, shall pay in the manner prescribed under section 3769.103 of the Revised Code, as a tax, a sum equal to the following percentages of the total of all moneys wagered on live racing programs and shall separately compute and pay in the manner prescribed under section 3769.103 of the Revised Code, as a tax, a sum equal to the following percentages of the total of all money wagered on simulcast racing programs on that day:

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

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

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

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

Except as otherwise provided in division (B) and subject to division (M) of this section, from the moneys paid to the tax commissioner by permit holders authorized to conduct harness or quarter horse racing, one-half of one per cent of all moneys wagered on that racing day shall be paid into the Ohio fairs fund; from the moneys paid to the tax commissioner by permit

holders authorized to conduct harness racing, five-eighths of one per cent of all moneys wagered on that racing day shall be paid into the Ohio standardbred development fund; and from the moneys paid to the tax commissioner by permit holders authorized to conduct quarter horse racing, five-eighths of one per cent of all moneys wagered on that racing day shall be paid into the Ohio thoroughbred race fund to support quarter horse development and purses.

(D) In addition, subject to division (M) of this section, beginning on January 1, 1996, from the money paid to the tax commissioner as a tax under this section and division (A) of section 3769.087 of the Revised Code by harness horse permit holders, one-half of one per cent of the amount wagered on a racing day shall be paid into the Ohio standardbred development fund. Beginning January 1, 1998, the payment to the Ohio standardbred development fund required under this division does not apply to county agricultural societies or independent agricultural societies.

The total amount paid to the Ohio standardbred development fund under this division, division (C) of this section, and division (A) of section 3769.087 of the Revised Code and the total amount paid to the Ohio thoroughbred race fund to support quarter horse development and purses under this division and division (A) of that section shall not exceed by more than six per cent the total amount paid into the fund under this division, division (C) of this section, and division (A) of section 3769.087 of the Revised Code in the immediately preceding calendar year.

(E) Subject to division (M) of this section, from the money paid as a tax under this chapter by harness and quarter

horse permit holders, one-quarter of one per cent of the total of all moneys wagered on a racing day by each permit holder shall be paid into the ~~state racing~~ casino control commission ~~operating~~ fund ~~created by~~ described in section ~~3769.03~~ 3772.01 of the Revised Code. This division does not apply to county and independent fairs and agricultural societies.

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

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

Forty per cent of that portion of that total sum of such odd cents shall be used by the permit holder for purse money for Ohio sired, bred, and owned colts, for purse money for Ohio bred horses, and for increased purse money for horse races. Upon the formation of the corporation described in section 3769.21 of the Revised Code to establish a harness horsemen's health and retirement fund, twenty-five per cent of that portion of that total sum of odd cents shall be paid at the close of each racing day by the permit holder to that corporation to establish and fund the health and retirement fund. Until that corporation is formed, that twenty-five per cent shall be paid at the close of each racing day by the permit holder to the tax commissioner or the tax commissioner's agent in the county seat of the county in

which the permit holder operates race meetings. The remaining thirty-five per cent of that portion of that total sum of odd cents shall be retained by the permit holder.

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

(I) In addition, each permit holder authorized to conduct quarter horse racing shall be allowed to retain the odd cents of all redistribution to be made on all mutuel contributions exceeding a sum equal to the next lowest multiple of ten, subject to a tax of twenty-five per cent on that portion of the total sum of such odd cents that is in excess of two thousand dollars during a calendar year, which tax shall be paid at the close of each racing day by the permit holder to the tax commissioner or the tax commissioner's agent in the county seat

of the county within which the permit holder operates race meetings. Forty per cent of that portion of that total sum of such odd cents shall be used by the permit holder for increased purse money for horse races. The remaining thirty-five per cent of that portion of that total sum of odd cents shall be retained by the permit holder.

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

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

A reduction for a new race track or a capital improvement shall start from the day racing is first conducted following the date actual construction of the new race track or each capital improvement is completed and the construction cost has been approved by the ~~racing~~ commission, unless otherwise provided in this section. A reduction for a new race track or a capital improvement shall continue for a period of twenty-five years for new race tracks and for fifteen years for capital improvements if the construction of the capital improvement or new race track commenced prior to March 29, 1988, and for a period of ten years for new race tracks or capital improvements if the construction of the capital improvement or new race track commenced on or after March 29, 1988, but before June 6, 2001, or until the total tax reduction reaches seventy per cent of the approved cost of the new race track or capital improvement, as allocated to each permit holder, whichever occurs first. A reduction for a new race track or a capital improvement approved after June 6, 2001, shall continue until the total tax reduction reaches one hundred per cent of the approved cost of the new race track or capital improvement, as allocated to each permit holder.

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

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

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

(2) In order to qualify for the reduction in tax, a permit holder shall apply to the ~~racing~~ commission in such form as the

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

(3) If a new race track or capital improvement is approved by the ~~racing~~ commission and construction has started, the tax reduction may be authorized by the commission upon presentation of copies of paid bills in excess of one hundred thousand dollars or ten per cent of the approved cost, whichever is greater. After the initial authorization, the permit holder shall present copies of paid bills. If the permit holder is in substantial compliance with the schedule for construction and completion of the new race track or capital improvement, the ~~racing~~ commission may authorize the continuation of the tax reduction upon the presentation of the additional paid bills. The total amount of the tax reduction authorized shall not exceed the percentage of the approved cost of the new race track or capital improvement specified in division (J)(1) of this section. The ~~racing~~ commission may terminate any tax reduction immediately if a permit holder fails to complete the new race track or capital improvement, or to substantially comply with

the schedule for construction and completion of the new race track or capital improvement. If a permit holder fails to complete a new race track or capital improvement, the ~~racing~~ commission shall order the permit holder to repay to the state the total amount of tax reduced. The normal tax paid by the permit holder shall be increased by three-fourths of one per cent of the total amount wagered until the total amount of the additional tax collected equals the total amount of tax reduced.

(4) As used in this section:

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

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

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

(5) The ~~racing~~ commission shall not approve an application for a tax reduction under this section if it has reasonable cause to believe that the actions or negligence of the permit holder substantially contributed to the damage suffered by the track due to fire or other cause. The ~~racing~~ commission shall obtain any data or information available from a fire marshal, law enforcement official, or insurance company concerning any fire or other damage suffered by a track, prior to approving an application for a tax reduction.

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

(K) No other license or excise tax or fee, except as provided in sections 3769.01 to 3769.14 of the Revised Code, shall be assessed or collected from such licensee by any county, township, district, municipal corporation, or other body having power to assess or collect a tax or fee. That portion of the tax paid under this section by permit holders for racing conducted at and during the course of an agricultural exposition or fair, and that portion of the tax that would have been paid by eligible permit holders into the nursing home franchise permit fee fund as a result of racing conducted at and during the course of an agricultural exposition or fair, shall be deposited

into the state treasury to the credit of the horse racing tax fund, which is hereby created for the use of the agricultural societies of the several counties in which the taxes originate. The ~~state racing~~ commission shall determine eligible permit holders for purposes of the preceding sentence, taking into account the breed of horse, the racing dates, the geographic proximity to the fair, and the best interests of Ohio racing. On the first day of any month on which there is money in the fund, the tax commissioner shall provide for payment to the treasurer of each agricultural society the amount of the taxes collected under this section upon racing conducted at and during the course of any exposition or fair conducted by the society.

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

(M) Twenty-five per cent of the taxes levied on thoroughbred racing permit holders, harness racing permit holders, and quarter horse racing permit holders under this section, division (A) of section 3769.087 of the Revised Code, and division (F)(2) of section 3769.26 of the Revised Code shall

be paid into the nursing home franchise permit fee fund. The tax commissioner shall pay any money remaining, after the payment into the nursing home franchise permit fee fund and the reductions provided for in division (J) of this section and in section 3769.20 of the Revised Code, into the Ohio fairs fund, Ohio thoroughbred race fund, Ohio standardbred development fund, and ~~state racing~~ casino control commission ~~operating~~ fund as prescribed in this section and division (A) of section 3769.087 of the Revised Code. The tax commissioner shall thereafter use and apply the balance of the money paid as a tax by any permit holder to cover any shortage in the accounts of such funds resulting from an insufficient payment as a tax by any other permit holder. Subject to section 3769.101 of the Revised Code, the moneys received by the tax commissioner shall be deposited monthly and paid by the tax commissioner into the funds to cover the total aggregate amount due from all permit holders to the funds, as calculated under this section and division (A) of section 3769.087 of the Revised Code, as applicable. If, after the payment into the nursing home franchise permit fee fund, sufficient funds are not available from the tax deposited by the tax commissioner to pay the required amounts into the Ohio fairs fund, Ohio standardbred development fund, Ohio thoroughbred race fund, and the ~~state racing~~ casino control commission ~~operating~~ fund, the tax commissioner shall prorate on a proportional basis the amount paid to each of the funds. Any shortage to the funds as a result of a proration shall be applied against future deposits for the same calendar year when funds are available. After this application, the tax commissioner shall pay any remaining money paid as a tax by all permit holders into the nursing home franchise permit fee fund. This division does not apply to permit holders conducting racing at the course of an agricultural exposition or fair as described in division (K) of

this section.

Sec. 3769.081. (A)(1) A permit holder may contract with one management services company to offer pari-mutuel wagering on horse racing under section 3769.08 of the Revised Code on the permit holder's behalf, in a manner authorized under the contract. If the permit holder contracts with a management services company, the permit holder shall not offer pari-mutuel wagering on horse racing under that section in any other manner.

(2) A management services company may offer pari-mutuel wagering on horse racing only in accordance with this chapter, with the rules adopted by the commission under this chapter, and with the nature of the permit holder's permit.

(B)(1) A management services company shall be licensed under this section before entering into a contract with a permit holder as described in division (A) of this section. A management services company license entitles the holder to contract with one permit holder. An applicant for an initial or renewed management services company license shall meet all requirements for licensure established by the commission by rule and shall pay the fee required under division (C)(3) of section 109.572 of the Revised Code, along with a nonrefundable application fee in an amount determined by the commission by rule.

(2) The commission may accept another jurisdiction's license, if the commission determines it has similar licensing requirements, as evidence that the applicant meets the requirements for a license issued under this section.

(3) After receiving an initial or renewed management services company license, the applicant shall pay a

nonrefundable license fee in an amount determined by the commission by rule.

(C) A management services company license shall be valid for a term of five years. In order to renew a management services company license, the licensee shall apply to the commission for a renewed license in the same manner as for an initial license.

(D) In order to permit a management services company to offer pari-mutuel wagering on horse racing on behalf of a permit holder, the permit holder and the management services company shall enter into a written contract that has been approved by the commission. If the permit holder and the management services company wish to make a material change to the contract, the permit holder first shall submit the change to the commission for its approval or rejection. The permit holder or the management services company shall not assign, delegate, subcontract, or transfer the management services company's duties and responsibilities under the contract to a third party.

(E)(1) Subject to division (E)(2) of this section, the provisions of this chapter and Chapter 3772. of the Revised Code concerning a permit holder apply to a management services company that contracts with the permit holder with respect to all rights, duties, and liabilities of the permit holder assigned, delegated, subcontracted, or transferred to the management services company as though the management services company were a permit holder. Unless the context requires otherwise, references in the Revised Code to a permit holder apply to a management services company to the extent that the management services company is acting on behalf of a permit holder pursuant to the contract.

(2) Division (E)(1) of this section does not permit a management services company to operate pari-mutuel wagering on horse racing other than pursuant to a contract with a permit holder to operate pari-mutuel wagering on horse racing on behalf of the permit holder. Division (E)(1) of this section does not permit a management services company to operate video lottery terminals on behalf of a permit holder.

(F) The commission shall adopt a rule setting a maximum number of management services company licenses a person may hold at any one time.

Sec. 3769.082. (A) There is hereby created in the state treasury the Ohio fairs fund. The director of agriculture shall distribute money in the fund annually, on or before the first day of March, as follows:

(1) To each county agricultural society and to each independent agricultural society conducting an annual fair, twelve per cent of the total money in the Ohio fairs fund, to be allocated for general operations;

(2) To the Ohio expositions commission, the sum of one hundred twenty thousand dollars annually, to be divided equally as purse money among four stake races for two-year-old and three-year-old colts and for four stake races for two-year-old and three-year-old fillies at each gait of trotting and pacing; provided, that five thousand dollars and all entry fees shall be added to each race by the Ohio expositions commission.

(3) To each county agricultural society and each independent agricultural society conducting horse races during its annual fair, the sum of four thousand dollars, to be used as purse money for horse races in accordance with this section, and

the additional sum of one thousand dollars to each such county agricultural society and independent agricultural society to be used for race track maintenance and other expenses necessary for the conduct of such horse races or colt stakes.

A grant of four thousand dollars shall be available to each county or independent agricultural society for the conduct of four stake races for two-year-old and three-year-old colts and for four stake races for two-year-old and three-year-old fillies at each gait of trotting and pacing; provided, that at least five hundred dollars shall be added to each race. Exclusive of entrance fees and the excess money provided in division (A)(4) of this section from the grant of four thousand dollars for purse money provided in this division, a sum not to exceed three thousand dollars may be used by a society to reach the required purse for each of the eight stake races. Such stake races shall be distributed as evenly as possible throughout the racing season.

(4) In the event that the money available on the first day of March of any year ~~are~~ is less than that required to carry out divisions (A)(1), (2), and (3) of this section, the money so available in the Ohio fairs fund shall be prorated equally to the items set forth in such divisions. In the event that the money available on the first day of March of any year ~~are~~ is in excess of that required to carry out divisions (A)(1), (2), and (3) of this section, such excess shall be distributed equally to those county agricultural societies and independent agricultural societies conducting stake races, such excess to be added to the stake races conducted under division (A)(3) of this section. The balance of such excess shall be distributed to provide four per cent of such excess to the Ohio expositions commission to be added to the purses pursuant to division (A)(2) of this section,

and the balance shall be distributed to the county and independent agricultural societies conducting stake races, such excess to be added to and divided equally among the stake races conducted under division (A)(3) of this section.

(B) County agricultural societies and independent agricultural societies participating under division (A)(3) of this section shall, on or before the first day of November in the year immediately preceding the year in which the money ~~are~~ is to be distributed, make application for participation in such distribution to the director of agriculture on forms provided by the director.

(C) Distribution of money pursuant to division (A)(3) of this section shall not be paid to county agricultural societies and independent agricultural societies that conduct on their race courses automobile or motorcycle races during any year for which such distribution is requested, unless such automobile or motorcycle races are not conducted during the days and nights that horse racing is being conducted at such fair.

(D) All the foals in stake races conducted for two-year-old and three-year-old colts and fillies under this section shall have been sired by a stallion registered with the ~~state racing~~ commission. To be eligible for registration, a stallion shall be one of the following:

(1) Owned by a resident of Ohio and regularly standing the entire stud season in Ohio;

(2) Owned by a resident of a state other than Ohio but regularly standing the entire stud season in Ohio and leased by a resident of Ohio for a term of not less than ten years;

(3) Owned jointly by a resident of a state other than Ohio

and a resident of Ohio, regularly standing the entire stud season in Ohio, and leased by a resident of Ohio for a term of not less than ten years.

Each race shall be conditioned to admit only registered two-year-old and three-year-old colts and fillies sired by a registered stallion owned or leased and permanently standing for service at and within this state at the time of the foal's conception. All other conditions for the scheduling and conduct of these races shall be approved by the ~~state racing~~ commission. The races shall be scheduled subject to the right of the commission to prevent conflicts in the event of contemporaneous meetings.

Such stake races shall be open for nomination not earlier than the fifteenth day of February in the year the race is to be held. All entrance fees in such events shall be added to the money distributed under this section as purse money.

(E) The ~~state racing~~ commission shall make unannounced periodic urine, saliva, or blood tests of horses competing in the events raced under this section.

(F) The director of agriculture shall provide forms for application for distribution under division (A)(3) of this section, shall adopt such rules as are necessary for carrying out this section, and may make such investigations as are necessary to determine the validity of any claims and applications for distribution of money under this section.

(G) Any county agricultural society or independent agricultural society which uses the money distributed under this section for any purpose other than that provided in this section is not eligible to receive distribution from the Ohio fairs fund

for a period of two years after such misuse of such money occurs.

(H) As used in this section, "horse races" and "stake races" include either harness races or running races.

Sec. 3769.083. (A) As used in this section:

(1) An "accredited Ohio thoroughbred horse" means a horse conceived in this state and born in this state which is both of the following:

(a) Born of a mare that is domiciled in this state at the time of the horse's conception, that remains continuously in the state through the date on which the horse is born, and that is registered as required by the rules of the ~~state racing~~ commission;

(b) By a stallion that stands for breeding purposes only in this state in the year in which the horse is conceived, and that is registered as required by the rules of the commission.

(2) An "Ohio foaled horse" means a horse registered as required by the rules of the ~~state racing~~ commission which is either of the following:

(a) A horse born of a mare that enters this state before foaling and remains continuously in this state until the horse is born;

(b) A thoroughbred foal produced within the state by any broodmare shipped into the state to foal and be bred to a registered Ohio stallion. To qualify this foal as an Ohio foaled horse, the broodmare shall remain in this state one year continuously after foaling or continuously through foaling to the cover of the Ohio stallion, whichever is sooner. All horses

previously registered as Ohio conceived and foaled shall be considered as Ohio foaled horses effective January 1, 1976.

Any thoroughbred mare may leave this state for periods of time for purposes of activities such as veterinary treatment or surgery, sales purposes, breeding purposes, racing purposes, and similar activities if permission is granted by the ~~state racing~~ commission and the mare is returned to this state immediately upon the conclusion of the requested activity.

(3) "Horse," "stallion," "mare," or "foal" means a horse of the thoroughbred breed as distinguished from a horse of the standard breed or any other breed, and "race" means a race for thoroughbred horses conducted by a permit holder of the state racing commission.

(4) "Horse" includes animals of all ages and of both sexes.

(B) There is hereby created in the state treasury the Ohio thoroughbred race fund, to consist of moneys paid into it pursuant to sections 3769.08 and 3769.087 of the Revised Code. All investment earnings on the cash balances in the fund shall be credited to it. Moneys to the credit of the fund shall be distributed on order of the ~~state racing~~ commission. The commission, with the advice and assistance of the Ohio thoroughbred racing advisory committee, shall use the fund, except as provided in divisions (C)(2) and (3) and (D) of this section, to promote races and provide purses for races for horses in the following classes:

(1) Accredited Ohio thoroughbred horses;

(2) Ohio foaled horses.

Not less than ten nor more than twenty-five per cent of

the total money to be paid from the fund for all types of races shall be allocated to races restricted to accredited Ohio thoroughbred horses. The commission may combine the classes of horses described in divisions (B)(1) and (2) of this section in one race, except in stakes races.

(C)(1) Each permit holder conducting thoroughbred races shall schedule races each week for horses in the classes named in division (B) of this section; the number of the races shall be prescribed by the ~~state racing~~ commission. The commission, pursuant to division (B) of this section, shall prescribe the class or classes of the races to be held by each permit holder and, with the advice of the Ohio thoroughbred racing advisory committee, shall fix the dates and conditions of the races and the amount of moneys to be paid from the Ohio thoroughbred race fund to be added in each race to the minimum purse established by the permit holder for the class of race held.

(2) The commission, with the advice of the Ohio thoroughbred racing advisory committee, may provide for stakes races to be run each year, and fix the number of stakes races and the time, place, and conditions under which each shall be run. The commission shall fix the amount of moneys to be paid from the Ohio thoroughbred race fund to be added to the purse provided for each stakes race by the permit holder, except that, in at least four stakes races each year, the commission shall require, if four stakes races can be arranged, that the permit holder conducting the stakes race provide no less than fifteen thousand dollars for the purse for the stakes race, and the commission shall provide moneys from the fund to be added to the purse in an amount equal to or greater than the amount provided by the permit holder. The commission may require a nominating, sustaining, and entry fee not to exceed one per cent of the

money added from the fund for each horse in any stakes race, which fee shall be added to the purse for the race.

Stakes races where money is added from the Ohio thoroughbred race fund shall be open only to accredited Ohio thoroughbred horses and Ohio foaled horses. Twenty-five per cent of the total moneys to be paid from the fund for stakes races shall be allocated to races for only accredited Ohio thoroughbred horses. The commission may require a nominating, sustaining, and entry fee, not to exceed one per cent of the money added from the fund, for each horse in any of these stakes races. These fees shall be accumulated by the commission and shall be paid out by the commission at its discretion as part of the purse money for additional races.

(3) The commission may pay from the Ohio thoroughbred race fund to the breeder of a horse of class (1) or (2) of division (B) of this section winning first, second, or third prize money of a purse for a thoroughbred race an amount not to exceed fifteen per cent of the first, second, or third prize money of the purse. For the purposes of this division, the term "breeder" shall be defined by rule of the commission.

The commission also may provide for stallion owners' awards in an amount equal to not less than three nor more than ten per cent of the first, second, or third place share of the purse. The award shall be paid to the owner of the stallion, provided that the stallion was standing in this state as provided in division (A)(1)(b) of this section at the time the horse placing first, second, or third was conceived.

(D) The ~~state racing~~ commission may provide for the expenditure of moneys from the Ohio thoroughbred race fund in an amount not to exceed in any one calendar year ten per cent of

the total amount received in the account that year to provide for research projects directed toward improving the breeding, raising, racing, and health and soundness of thoroughbred horses in the state and toward education or promotion of the industry. Research for which the moneys from the fund may be used may include, but shall not be limited to, studies of pre-race blood testing, post-race testing, improvement of the breed, and nutrition.

(E) The ~~state racing~~ commission shall appoint qualified personnel as may be required to supervise registration of horses under the terms of this section, to determine the eligibility of horses for accredited Ohio thoroughbred races, Ohio foaled races, and the stakes races authorized by division (C)(2) of this section, and to assist the Ohio thoroughbred racing advisory committee and the commission in determining the conditions, class, and quality of the race program to be established under this section so as to carry out the purposes of this section. The personnel shall serve at the pleasure of the commission, and compensation shall be fixed by the commission. The compensation of the personnel and necessary expenses shall be paid out of the Ohio thoroughbred race fund.

The commission shall adopt rules as are necessary to carry out this section and shall administer the stakes race program and other races supported by the Ohio thoroughbred race fund in a manner best designed to aid in the development of the thoroughbred horse industry in the state, to upgrade the quality of horse racing in the state, and to improve the quality of horses conceived and foaled in the state.

(F) The ~~state racing~~ commission shall adopt rules regarding the maintenance and use of money collected for quarter

horse development and purses under division (C) of section 3769.08 and division (A) of section 3769.087 of the Revised Code.

Sec. 3769.084. (A) The Ohio thoroughbred racing advisory committee is hereby created to consist of three members appointed by the governor with the advice and consent of the senate. The members of the committee shall be residents of the state knowledgeable in the breeding and racing of thoroughbred horses. The Ohio thoroughbred horsemen's association and representatives of Ohio thoroughbred race tracks may submit to the governor the names of persons whom they recommend for appointment as members of the committee. Terms of office shall be for three years, commencing on the first day of February and ending on the thirty-first day of January. Each member shall hold office from the date of ~~his~~ appointment until the end of the term for which ~~he was~~ appointed. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which ~~his~~ the member's predecessor was appointed shall hold office for the remainder of such term. Any member shall continue in office subsequent to the expiration date of ~~his~~ the member's term until ~~his~~ the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.

(B) The Ohio thoroughbred racing advisory committee shall advise and assist the ~~state racing~~ commission regarding the administration of the Ohio thoroughbred race fund created by section 3769.083 of the Revised Code.

(C) Members of the committee shall receive no compensation except that they shall be paid from the fund for the actual and necessary expenses incurred in the performance of their duties.

Sec. 3769.085. (A) There is hereby created in the state

treasury the Ohio standardbred development fund, to consist of moneys paid into it pursuant to section 3769.08 of the Revised Code and any fees assessed for or on behalf of the Ohio sires stakes races. All fees so assessed shall be exempt from the requirements of divisions (D) and (M) of that section. All investment earnings on the cash balance in the fund shall be credited to the fund. Moneys to the credit of the fund shall be distributed on order of the ~~state racing~~ Ohio casino control commission with the approval of the Ohio standardbred development commission.

(B) The Ohio standardbred development commission shall consist of three members, all to be residents of this state knowledgeable in breeding and racing, to be appointed by the governor with the advice and consent of the senate. One member shall be a standardbred breeder, and one member shall be a standardbred owner. Of the initial appointments, one member shall be appointed for a term ending June 30, 1977, and two members shall be appointed for terms ending June 30, 1979. Thereafter, appointments for other than unexpired terms shall be for four years. Terms shall begin the first day of July and end the thirtieth day of June. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that term. Any member shall continue in office subsequent to the expiration date of the member's term until a successor takes office. Members shall receive no compensation, except that they shall be paid actual and necessary expenses from the Ohio standardbred development fund. The ~~state racing~~ Ohio casino control commission also shall be reimbursed from the fund for actual expenses approved by the development commission. The development commission may elect one member to serve as

secretary.

(C) Upon application not later than the first day of December from the harness tracks conducting races with pari-mutuel wagering, other than agricultural expositions and fairs, the Ohio standardbred development commission, after a hearing and not later than the twentieth day of January, shall allocate and approve all available moneys for colt races for two-year-old and three-year-old colts and fillies, both trotting and pacing. Separate races for fillies shall be provided at each age and gait. Up to five races and a championship race shall be scheduled for each of the eight categories of age, sex, and gait. The allocations shall take into account the time of year that racing colts is feasible, the equity and continuity of the proposed dates for racing events, and the amounts to be added by the tracks, looking to the maximum benefit for those participating in the races. Representatives of the tracks and the Ohio harness horsemen's association shall be given an opportunity to be heard before the allocations are made. No races shall be contested earlier than the first day of May or later than the first day of November; all permit holders operating extended pari-mutuel meetings between those dates shall be entitled to at least three races. No funds for a race shall be allocated to and paid to a permit holder by the development commission unless the permit holder adds at least twenty-five per cent to the amount allocated by the development commission, and not less than five thousand dollars to each race.

Colts and fillies eligible to the races shall be only those sired by a standardbred stallion that was registered with the state racing commission and stood in the state the entire breeding season of the year the colt or filly was conceived.

If the development commission concludes that sufficient funds are available to add aged races without reducing purse levels of the colt and filly races, the development commission may allocate funds to four-year-old and up races of each sex and gait with Ohio eligibility required as set forth in this section.

(D) The ~~state racing~~ Ohio casino control commission may allocate an amount not to exceed five per cent of the total Ohio standardbred development fund available in any one calendar year to research projects directed toward improving the breeding, raising, racing, and health and soundness of horses in the state and toward education or promotion of the industry.

Sec. 3769.087. (A) In addition to the commission of eighteen per cent retained by each permit holder as provided in section 3769.08 of the Revised Code, each permit holder shall retain an additional amount equal to four per cent of the total of all moneys wagered on each racing day on all wagering pools other than win, place, and show, of which amount retained an amount equal to three per cent of the total of all moneys wagered on each racing day on those pools shall be paid in the manner prescribed under section 3769.103 of the Revised Code, as a tax. Subject to the restrictions contained in divisions (B), (C), and (M) of section 3769.08 of the Revised Code, from such additional moneys paid to the tax commissioner:

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

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

(3) One-twelfth of the additional moneys paid to the tax

commissioner by thoroughbred racing permit holders shall be paid into the Ohio thoroughbred race fund created by section 3769.083 of the Revised Code.

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

(5) One-sixth shall be paid into the ~~state racing~~ casino control commission ~~operating~~ fund ~~created by~~ described in section ~~3769.03~~ 3772.01 of the Revised Code.

(6) One-twelfth of the additional moneys paid to the tax commissioner by quarterhorse racing permit holders shall be paid into the Ohio thoroughbred race fund created by section 3769.083 of the Revised Code to support quarterhorse development and purses.

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

(B) In addition to the commission of eighteen per cent retained by each permit holder as provided in section 3769.08 of the Revised Code and the additional amount retained by each permit holder as provided in division (A) of this section, each permit holder shall retain an additional amount equal to one-half of one per cent of the total of all moneys wagered on each racing day on all wagering pools other than win, place, and show. The additional amount retained under this division shall

be paid in the manner prescribed under section 3769.103 of the Revised Code, as a tax. The tax commissioner shall pay the amount of the tax received under this division to the ~~state racing~~ casino control commission ~~operating~~ fund ~~created by~~ described in section ~~3769.03~~ 3772.01 of the Revised Code.

(C) Unless otherwise agreed to by the video lottery sales agent and the applicable horsemen's association recognized by the ~~state racing~~ commission to represent such persons, ~~within ninety days after September 29, 2013, for video lottery sales agents operating as such on September 29, 2013, or within six months after the date a video lottery sales agent begins operating as such for video lottery sales agents not operating as such on September 29, 2013,~~ the ~~state racing~~ commission shall direct through rule that a percentage of the lottery sales agent's commission as determined by the ~~state lottery~~ commission for conducting video lottery terminal gaming on behalf of the state be paid to the ~~state racing~~ commission for the benefit of breeding and racing in this state. The percentage so determined shall not be less than nine per cent or more than eleven per cent of the video lottery terminal income, and shall be a sliding scale based upon capital expenditures necessary to build the video lottery sales agent's facility. The aggregate of one hundred per cent of video lottery terminal income minus the lottery sales agent's commission percentage as determined by the ~~state lottery~~ commission plus the percentage of the lottery sale agent's commission, as determined by the ~~state racing~~ commission or otherwise agreed to by the video lottery sales agent and the applicable horsemen's association recognized by the ~~state racing~~ commission to represent such persons, for the benefit of breeding and racing in this state shall not exceed forty-five per cent of the video lottery terminal income. In addition,

~~beginning July 1, 2013,~~ the ~~state lottery~~ commission shall adopt a rule to require the lottery sales agent conducting video lottery terminal gaming on behalf of the state to ~~disperse~~ disburse to the ~~state lottery~~ commission one-half of one per cent of such a lottery sales agent's commission ~~for the purpose of providing funding support to appropriate state agencies for programs that provide for gambling addiction and other related addiction services~~, to be deposited in the state treasury to the credit of the problem gambling fund established under section 5753.031 of the Revised Code. The ~~state lottery~~ commission's rule also may require the lottery sales agent conducting video lottery terminal gaming on behalf of the state to ~~disperse~~ disburse to the ~~state lottery~~ commission an additional amount up to one-half of one per cent of such a lottery sales agent's commission ~~for that purpose~~ to be deposited in the state treasury to the credit of that fund.

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

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

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

~~(3) "Live racing program" means a racing program consisting of no fewer than seven live horse races at thoroughbred tracks and nine live races at standardbred tracks~~

~~and additional horse races simulcast from other facilities located either inside or outside this state, in which not more than two horse races on which pari-mutuel wagering is conducted are simulcast from facilities located outside this state. If only one racing meeting of a particular breed of horse is being held, no fewer than nine live horse races shall be held on a live racing day. If, during the course of a racing meeting at a standardbred track, the racing secretary of the permit holder determines that there is an insufficient number of entries to have a full field of eight horses for each of nine races on a live racing program, then the racing secretary of the permit holder, after consultation with the Ohio harness horsemens association, may reduce the number of live races on that live racing program, as the racing secretary may determine. The racing secretary shall not reduce the live racing program to less than seven live races. If during the course of a meeting at a thoroughbred track, the racing secretary of a permit holder determines that there is an insufficient number of entries to have a full field of eight horses for each of nine races on a live racing program, then the racing secretary of the permit holder, with the consent of the thoroughbred horsemens association, may reduce the number of live races on that live racing program, as the racing secretary may determine. The racing secretary shall not reduce the live racing program to less than seven live races. No more than seventeen races on which pari-mutuel wagering is conducted, including both live races and races simulcast from other facilities located either inside or outside this state, shall be part of a live racing program.~~

~~(4) "Simulcast host" means a track or enclosure in this state where, on a racing day, a permit holder is doing one or~~

~~both of the following:~~

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

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

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

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

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

~~(8) "Collection and settlement agent" has the same meaning as in section 3769.0810 of the Revised Code.~~

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

~~races.~~

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

(b) In order for a permit holder to offer simulcasts of horse races conducted at facilities located outside this state, the permit holder shall have conducted live racing programs during the immediately preceding calendar year on a number of days that is not less than the number of regular live racing days it conducted in calendar year 1991, not including additional racing days conducted in calendar year 1991 by the permit holder at a winterized facility under a permit issued under section 3769.07 of the Revised Code, as certified by the commission. In satisfying the foregoing requirement for live racing days during the immediately preceding calendar year, 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 additional racing days at a winterized facility. In addition, in order for a permit holder to offer simulcasts of horse races conducted at facilities located outside this state, the permit holder shall offer all simulcasts of horse races conducted in this state made available to it.

In order for a permit holder to offer simulcasts of races conducted at race tracks located outside this state at the same time and during the hours in which the live races of a live racing program are being conducted at its track, a permit holder conducting a thoroughbred live racing program shall obtain the consent of the thoroughbred horsemens association and a permit holder conducting a harness live racing program shall obtain the consent of the Ohio harness horsemens association. The consent of the horsemen's organization shall not be unreasonably withheld, and shall be consistent with the interest of preserving live racing in this state. 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 simulcast the simulcast racing programs. The determination of the commission is final. A permit holder, as a simulcast host, may offer simulcast racing programs at its track or enclosure of races conducted at tracks and facilities located outside this state prior to the commencement of, and following the conclusion of, its live races without obtaining the consent of a horsemen's organization under this division.

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

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

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

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

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

calendar year 2012, whichever is greater.

In no case shall the minimum number of racing days for any permit holder exceed one hundred twenty-five racing days.

(3) For the purposes of division ~~(B)(2)~~(A)(2) of this section, for live racing conducted at a track with more than one permit, the minimum live racing days shall apply to those permits collectively and not as a single permit.

(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.

(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)~~(A)(2)(a), (b), or (c) of this section, as applicable, 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.

(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 winterized facility.

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

In emergency situations, the commission may authorize a live racing day at a track in which all horse races on that racing day on which pari-mutuel wagering is conducted are simulcast from tracks and facilities located either inside or outside this state with the consent of the thoroughbred horsemens association for a track conducting a thoroughbred live racing program and with the consent of the Ohio harness horsemens association for a track conducting a harness live racing program. 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 simulcast the simulcast racing programs. The determination of the commission is final.

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

The simulcast hosts, with the approval of the ~~state racing~~ commission, shall determine which simulcast racing programs offered by race tracks located outside this state will be simulcast at their tracks and at all simulcast hosts, simulcast

guests, and satellite facilities in this state that are open and operating during the hours that the simulcast hosts are operating. Simulcast guests and satellite facilities shall receive all approved simulcast racing programs offered by simulcast hosts. In addition, a simulcast host and simulcast guest, with the approval of the commission, may also receive simulcast horse races and simulcast racing programs not agreed to by simulcast hosts.

A simulcast host that normally operates during the day only may serve as a simulcast host for only day-simulcast racing programs, which include all simulcast racing programs that commence at a track located outside this state on or before four p.m. A simulcast host that normally operates during the evening only may serve as a simulcast host for only evening-simulcast racing programs, which include all simulcast racing programs that commence at a track located outside this state on or after three p.m. A simulcast host that normally operates during the evening, but that under its permit conducts live racing programs during the day, may serve as a simulcast host for day-simulcast racing programs. A permit holder that is offering at its track simulcast racing programs that commence at a track located outside this state on or before four p.m. and simulcast racing programs that commence at a track located outside this state on or after three p.m. may serve as a simulcast host for both the day-simulcast racing program and the evening-simulcast racing program only if no other permit holder is serving as a simulcast host for the other simulcast racing programs. The times listed in this and the immediately following paragraphs are standard time as described in section 1.04 of the Revised Code and in the "Uniform Time Act of 1966," 80 Stat. 107, 15 U.S.C. 260 to 265.

A simulcast host that is conducting a live racing program

and is simulcasting that program to other simulcast hosts and simulcast guests in this state shall receive from each simulcast host and each simulcast guest receiving the simulcast an intrastate simulcast fee of one and three-eighths per cent of the amounts wagered on such simulcast racing program at its facilities. The simulcast hosts and simulcast guests receiving such simulcast racing program shall pay the intrastate simulcast fee to the collection and settlement agent, and the fee shall be disbursed by the agent, at the time and in the manner provided in section 3769.0810 of the Revised Code.

~~(E)(1)~~(D)(1) The moneys wagered on simulcast racing programs on a racing day shall be separated from the moneys wagered on the live racing program on that racing day. From the moneys wagered on the simulcast races, each permit holder may retain as a commission the percentage of the amount wagered as specified in sections 3769.08 and 3769.087 of the Revised Code, as applicable, and shall pay, in the manner prescribed under section 3769.103 of the Revised Code, as a tax, the tax specified in sections 3769.08 and 3769.087 of the Revised Code, as applicable. From the tax collected, the tax commissioner shall make the distributions to the respective funds, and in the proper amounts, as required by sections 3769.08 and 3769.087 of the Revised Code, as applicable. Except as provided in division ~~(E)(2)~~(D)(2) of this section, from the amount remaining after the payment of state taxes on the moneys wagered on live racing programs and on the moneys wagered on simulcast racing programs, a permit holder shall retain an amount equal to two and three-eighths per cent of the amount wagered on live racing programs and on intrastate and interstate simulcast racing programs simulcast at its track and on the amount wagered on the live racing programs and simulcast racing programs at a satellite

facility allocated to it under section 3769.26 of the Revised Code, as a fee to pay for those costs associated with the reception and transmission of simulcasts and the administrative cost of the conduct of live racing programs and simulcast racing programs. From the remaining balance, one-half shall be retained by the permit holder for purses. On a day when a permit holder conducts a live racing program, all purse money generated from wagering on live racing programs and on simulcast racing programs at its track shall be used for that permit holder's purse account. On a day when a permit holder operates as a simulcast host with no live racing program, or operates as a simulcast guest, all purse money generated from wagering on intrastate and interstate simulcast racing programs shall be paid to the state racing commission for deposit into the Ohio combined simulcast horse racing purse fund created under this section. In addition, on a day when a permit holder serves as a simulcast host for a satellite facility, all purse money generated from amounts wagered at the satellite facility allocated to the permit holder under section 3769.26 of the Revised Code shall be paid to the commission for deposit into the Ohio simulcast horse racing purse fund.

(2) If there are not four satellite facilities in operation in this state within one year after September 19, 1996, or if there are not seven satellite facilities in operation in this state within two years after September 19, 1996, or if there are not ten satellite facilities in operation in this state within three years after September 19, 1996, then in any such event the amount to be retained as a fee by the permit holder under division ~~(E)(1)~~ (D)(1) of this section shall be one and seven-eighths per cent until such time as the number of satellite facilities specified in division ~~(E)(2)~~ (D)(2) of

this section are in operation. For good cause shown, the thoroughbred horsemens association and Ohio harness horsemens association may waive the requirements of division ~~(E)(2)~~ (D)(2) of this section or extend the date for compliance as to any year by filing a written notification with the ~~state racing~~ commission.

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

A permit holder proposing to simulcast a special racing event as a simulcast host shall advise its horsemen's organization of the proposed schedule of the special racing event and obtain its consent to this schedule. The consent of the horsemen's organization shall not be unreasonably withheld and shall be consistent with the interest of preserving live racing in this state. If the horsemen's organization withholds its consent, the permit holder may file an objection with the ~~state racing~~ commission, which shall promptly consider the objection and determine whether the organization's action in withholding consent is without substantial merit and, if the

commission so determines, shall authorize the permit holder to simulcast the special racing event. The determination of the commission is final.

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

For each calendar year, permit holders at each track shall receive a share of each distribution of the Ohio combined simulcast horse racing purse fund in the same percentage, rounded to the nearest one-hundredth of the amount of each distribution, as the average total amount wagered at the track on racing days at which live racing programs were conducted, including the amount allocated to the track under section 3769.26 of the Revised Code for live races, during the five calendar years immediately preceding the year for which the distribution is made bears to the average annual total amount wagered at all tracks in the state operating under permits issued by the state racing commission under section 3769.07, 3769.071, or 3769.072 of the Revised Code on all racing days at which live racing programs were conducted, including the amount allocated to the tracks under section 3769.26 of the Revised Code for live races, during the five calendar years immediately preceding the year for which the distribution is made. By the thirty-first day of January of each year the commission shall

calculate the share of the permit holders at each track for that year, shall enter the share percentages in its official records, and shall notify all permit holders of the share percentages of all tracks for that calendar year.

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

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

~~(G)~~ (F) Upon the approval of the commission, a permit holder conducting live racing programs may transmit electronically televised simulcasts of horse races conducted at the permit holder's track to racing associations, tracks, and facilities located outside this state for the conduct of pari-mutuel wagering thereon, at the times, on the terms, and for the fee agreed upon by the permit holder and the receiving racing association, track, or facility. From the fees paid to the permit holder for such simulcasts, a permit holder shall retain for the costs of administration a fee in an amount equal to one per cent of the amount wagered on the races simulcast by the permit holder. From the remaining balance of the fee, one-half shall be retained by the permit holder for purses, except that notwithstanding the fee arrangement between the permit holder

and the receiving racing association, track, or facility, the permit holder shall deposit into its purse account not less than an amount equal to three-fourths of one per cent of the amount wagered at racing associations, tracks, and facilities located outside the state on the races simulcast by the permit holder.

All televised simulcasts of horse races conducted in this state to racing associations, tracks, and facilities located 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 be consistent with the interest of preserving live racing.

~~(H)(1)~~(G)(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)~~(G) of this section. Except as otherwise expressly provided in division ~~(H)~~(G) 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 pari-mutuel wagering pools shall be calculated in accordance with the rules that govern the host track and shall be distributed among the tracks participating in the interstate or intrastate common wagering pool in a manner agreed to by the participating tracks and the host track. An interstate common pari-mutuel wagering pool formed under division ~~(H)(3)~~(G)(3) of this section is subject to that division rather than to division ~~(H)(2)~~(G)(2) of this section.

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

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

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

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

~~(I)~~ (H) Each permit holder is responsible for paying all costs associated with the up-link for, and reception of, simulcasts, and the conduct and operation of simulcast racing programs, for all fees and costs associated with serving as a simulcast host or simulcast guest, and for any required fees payable to the tracks, racing associations, or state regulatory agencies where simulcast racing is conducted at tracks located outside this state.

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

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

(2) Permit holders and the thoroughbred horsemens association and Ohio harness horsemens association may agree to

do any of the following:

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

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

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

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

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

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

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

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

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

~~(4) "Satellite facility" has the same meaning as in~~

~~section 3769.25 of the Revised Code.~~

~~(5)~~ (2) "Settlement of wagering accounts" means the exchange of funds in order to equalize payments of winning wagers at all tracks and facilities participating in a common pari-mutuel pool.

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

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

(2) Within five business days after the close of each racing week, the collection and settlement agent shall pay and distribute to each simulcast host operating during that racing week its pro rata share of the fees collected from simulcast guests during that racing week. If a simulcast host acted as a host for day-simulcast racing programs only, then its share of the fees collected by the collection and settlement agent shall be computed and based on fees paid by simulcast guests offering

such day-simulcast racing programs at their tracks. If a simulcast host acted as a simulcast host for evening-simulcast racing programs only, then its share of the fees shall be computed and based on fees paid by simulcast guests offering such evening-simulcast racing programs at their tracks. In making a calculation of the amount of fees to be distributed to simulcast hosts, the collection and settlement agent shall allocate equally between the accounts of simulcast hosts conducting only day-simulcast racing programs and only evening-simulcast racing programs those fees received by the agent from simulcast guests for simulcast racing programs that commenced on or after three p.m. and on or before four p.m. The times listed in division (C)(2) of this section are standard time as described in section 1.04 of the Revised Code and in the "Uniform Time Act of 1966," 80 Stat. 107, 15 U.S.C. 260 to 265.

(D)(1) At the close of each day, each permit holder shall pay, by check, draft, or money order, or by wire transfer of funds, out of the money retained on that day to the collection and settlement agent the intrastate simulcast fee provided in division ~~(D)~~ (C) of section 3769.089 of the Revised Code in the amount equal to one and three-eighths per cent of the total of all moneys wagered on that day at its track or enclosure on live races conducted in this state and simulcast to its facility.

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

(E) At the close of each day, each permit holder and satellite facility shall pay, by check, draft, or money order,

or by wire transfer of funds, out of the money retained on that day to the collection and settlement agent a sum equal to required fees due to tracks, racing associations, or state regulatory agencies located outside this state for races simulcast into this state based on the totals of all money wagered that day at its track or enclosure or satellite facility on simulcast racing programs of races conducted outside this state. The collection and settlement agent shall inform the permit holders and the satellite facilities each day of the fee charged by each track, racing association, or state regulatory agency located outside this state for the simulcast of simulcast racing programs on races conducted outside this state and simulcast into this state. The collection and settlement agent shall be responsible for paying and disbursing to these tracks, racing associations, and state regulatory agencies on a timely basis the fees collected by it from permit holders and satellite facilities under this division.

(F) On or before the tenth day of each month, the collection and settlement agent shall file a report with the ~~state racing~~ commission showing all of the following:

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

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

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

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

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

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

(2) The collection and settlement agent on behalf of all permit holders and satellite facilities operating in this state shall be responsible for the settlement of wagering accounts for interstate simulcast racing programs with all tracks, racing associations, and state regulatory agencies located outside this state. The agent shall notify each permit holder and satellite facility not less frequently than weekly of the amounts that may be due from it, or the amounts that may be due to it, for the settlement of wagering accounts on interstate simulcast racing programs simulcast into this state during the preceding race

week. If a permit holder or satellite facility owes money for the settlement of wagering accounts for that racing week, it shall promptly pay, by check, draft, or money order, or by wire transfer of funds, to the agent the amount due. From the amounts it collects, the agent shall pay and disburse to permit holders and satellite facilities and to tracks, racing associations, and state regulatory agencies located outside this state, the amounts necessary to provide for the settlement of wagering accounts for that racing week.

(I) If a permit holder or satellite facility fails to timely pay and remit to the collection and settlement agent the money and fees provided for in this section and in sections 3769.089 and 3769.26 of the Revised Code, the agent shall promptly notify the commission, or if the collection and settlement agent fails to collect, pay, disburse, and account for, the moneys and fees in the manner provided for in this section, then in any such event or occurrence, based on the information in the commission's possession, the commission may issue an emergency order prohibiting the permit holder, satellite facility, or agent, as the case may be, from serving as a simulcast host or simulcast guest or from receiving any simulcast racing program, and conducting wagering thereon, at its track or satellite facility, until such time as the permit holder, satellite facility, or agent complies with the requirements of this section and sections 3769.089 and 3769.26 of the Revised Code in the manner and to the extent set forth in the commission's order. In addition, the commission may make an assessment against the permit holder, satellite facility, or agent, as the case may be, based on information in the commission's possession. The commission shall give the party assessed written notice of the assessment by personal service or

certified mail. All assessments not paid within thirty days after service of the notice of assessment, shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code computed from and after the date the assessment is made by the commission and entered in its official records until paid.

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

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

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

After an assessment becomes final, if any portion of the assessment, or interest due on it, remains unpaid, a certified

copy of the commission's entry making the assessment final may be filed in the office of the clerk of the court of common pleas in the county in which the track for which the permit was issued is located or the county in which the party assessed resides or has its principal place of business. If the party assessed maintains no place of business in this state and is not a resident of this state, the certified copy of the entry may be filed in the office of the clerk of the court of common pleas of Franklin county. The clerk, immediately upon the filing of such entry, shall enter a judgment for the state against the party assessed in the amount shown on the entry.

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

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

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

(J) The commission may adopt rules for the implementation and administration of this section.

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

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

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

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

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

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

Sec. 3769.09. The ~~state racing~~ commission shall employ a racing inspector to attend each horse-racing meeting~~,~~ held under a permit issued under ~~sections 3769.01 to 3769.14 of the Revised Code~~ this chapter. Such racing inspector shall give bond in the sum of five thousand dollars with sufficient sureties to be approved by and made payable to the treasurer of state, which bond shall be filed with the secretary of state. Such racing inspectors shall be paid a salary fixed pursuant to Chapter 124. of the Revised Code. Such racing inspector shall have full and free access to the books, records, and papers pertaining to the pari-mutuel system of wagering and to the enclosure or space where the pari-mutuel system is conducted at any horse-racing meeting to which ~~he~~ the racing inspector shall be assigned, for the purpose of ascertaining whether the holder of such permit is retaining the proper amount of commission. Such racing inspector shall investigate and ascertain whether such sections or rules promulgated by the commission are being violated at such race track or enclosure. Upon discovering any such violation, such racing inspector shall immediately report ~~his~~ such findings in writing and under oath to the commission for such action as it may deem fitting and proper.

Sec. 3769.091. The ~~state racing~~ commission may delegate to the stewards and judges of racing meetings under the jurisdiction of the commission the power to suspend licenses for not to exceed one year and to impose fines not to exceed one thousand dollars for any violation of the rules or orders of the commission, provided that two of such officials shall concur in such suspension. Any suspension of a license by such officials is valid even though the suspension extends beyond the period of the racing meeting for which such officials have been appointed. The suspension shall be effective at all other race meetings

under the jurisdiction of the commission. Any fine or suspension may be appealed to the commission. Such appeal shall stay the fine or suspension until further action by the commission.

Sec. 3769.10. The ~~state racing~~ commission and the tax commissioner shall enforce this chapter and may incur such expenses as are necessary; provided, that the power of the tax commissioner shall extend only to enforcement and administration of the taxes levied by sections 3769.08, 3769.087, 3769.26, and 3769.28 of the Revised Code as provided in those sections and in sections 3769.088, 3769.101, 3769.102, 3769.103, 5703.05, 5703.17 to 5703.37, 5703.39, 5703.41, and 5703.45 of the Revised Code. The commissioner may adopt, in accordance with section 5703.14 of the Revised Code, such rules as the commissioner considers necessary to administer sections 3769.08, 3769.087, 3769.088, 3769.101, 3769.102, 3769.103, 3769.26, and 3769.28 of the Revised Code.

Except as otherwise provided in section 3769.03 of the Revised Code, all taxes, fees, and moneys due the state under sections 3769.01 to 3769.071 and 3769.09 to 3769.14 of the Revised Code shall be paid to, and receipted for by, the ~~secretary of the state racing~~ commission, and shall be paid by the ~~secretary~~ commission weekly into the state treasury to the credit of the general revenue fund. All taxes due the state under sections 3769.08, 3769.087, and 3769.26 of the Revised Code shall be paid to, and receipted for by, the tax commissioner, and shall be paid by the commissioner monthly into the proper funds.

All vouchers of the commission issued under this chapter shall be approved by the commission chairperson or ~~secretary~~ executive director, or both, as authorized by the commission.

Sec. 3769.101. (A) For the purposes of receiving, distributing, and accounting for revenue received from the taxes levied by sections 3769.08, 3769.087, and 3769.26 of the Revised Code, there is hereby created in the state treasury the horse-racing tax revenue fund.

(B) All moneys collected from the taxes imposed by sections 3769.08, 3769.087, and 3769.26 of the Revised Code shall be deposited into the horse-racing tax revenue fund.

(C) On or before the fifteenth day of each month, the tax commissioner shall pay into the nursing home franchise permit fee fund, Ohio fairs fund, Ohio thoroughbred race fund, Ohio standardbred development fund, and ~~state racing~~ casino control commission ~~operating~~ fund ~~created under this chapter~~ the amounts required by sections 3769.08, 3769.087, and 3769.26 of the Revised Code based on amounts received in the preceding month.

Sec. 3769.11. (A) No individual who is on the commission's track exclusion list created under section 3772.031 of the Revised Code shall enter a track or satellite facility operated by a permit holder or the grounds of such a track or participate in the play or operation of pari-mutuel wagering on horse racing in this state. A permit holder shall employ commercially reasonable methods to prevent an individual who is on the commission's track exclusion list from engaging in pari-mutuel wagering on horse racing conducted by the permit holder.

(B)(1) A permit holder may exclude any individual from entering a track or satellite facility, or the grounds of a track or satellite facility, that is under the control of the permit holder and may exclude any individual from participating in the play or operation of pari-mutuel wagering on horse racing conducted by the permit holder. The permit holder shall keep a

list of all excluded individuals. No individual who is on a permit holder's exclusion list shall enter a track or satellite facility, or the grounds of a track or satellite facility, that is under the control of the permit holder or participate in the play or operation of pari-mutuel wagering on horse racing conducted by the permit holder under this chapter.

(2) If a permit holder excludes an individual because the permit holder determines that the individual engaged or attempted to engage in any gaming related activity that is prohibited under the laws of this state or rules of the commission, the permit holder shall report that fact to the commission.

(C)(1) The commission shall require by rule adopted under Chapter 119. of the Revised Code that each permit holder comply with the requirements of the Ohio voluntary exclusion program described in section 3772.39 of the Revised Code.

(2) Absent gross negligence, all of the following persons are immune from any type of civil liability on the basis that a person who is participating in the Ohio voluntary exclusion program enters or accesses a track or satellite facility or participates in pari-mutuel wagering on horse racing conducted under this chapter:

(a) The commission or any other agency of this state and its agents or employees;

(b) A permit holder and its agents or employees.

(D) No permit holder, no director, officer, agent, or employee of a permit holder, no other person who has a financial interest in a permit holder, and no person living in the same household as any of those persons, shall engage in any pari-

mutuel wagering on horse racing conducted by the permit holder, other than as part of operating pari-mutuel wagering on horse racing or as part of the employee's employment. A permit holder shall employ commercially reasonable methods to prevent those persons, and any other person who has access to confidential information held by the permit holder, from engaging in pari-mutuel wagering on horse racing conducted by the permit holder.

(E) No member or employee of the commission shall knowingly participate in pari-mutuel wagering on horse racing in this state. A permit holder shall employ commercially reasonable methods to prevent such a person from engaging in video lottery terminal gaming conducted by the permit holder.

(F) This section does not apply to a permit holder who holds only a permit issued for a racing meeting at a fair.

Sec. 3769.12. The county sheriff shall enforce ~~sections 3769.01 to 3769.14, inclusive, of the Revised Code~~ this chapter in cooperation with the commission.

Sec. 3769.13. (A) Any person, association, trust, or corporation owning, leasing, or operating a race track, place, or enclosure which has been damaged by fire or other cause and at which in any year such a person, association, trust, or corporation has held or conducted a horse-racing meeting under a permit issued by the ~~state racing~~ commission, may be issued a permit by said commission to hold or conduct a horse-racing meeting at any one other track, place, or enclosure for not more than an aggregate of fifty-six racing days in the calendar year for which such permit is issued, provided:

(1) The damaged race track, place, or enclosure has not been repaired or restored to its previous condition at the time

the permit is issued~~;~~.

(2) The permit is issued within two years after the damage was incurred.

(B) The permits provided for in divisions (A), (C), and (D) of this section shall be issued in conformity with and subject to ~~sections 3769.01 to 3769.14 of the Revised Code~~ this chapter, except that the restriction contained in section 3769.07 of the Revised Code against the issuing of a permit for the holding or conducting of a horse-racing meeting for more than an aggregate of fifty-six racing days in any one calendar year for any one race track, place, or enclosure shall not be applicable to a race track, place, or enclosure at which a horse-racing meeting is held under a permit issued pursuant to this section, and except that if more than one permit holder has conducted horse-racing meetings at the same race track pursuant to divisions (A), (C), and (D) of this section, the permits may be consolidated or held under one permit holder with the consent of all current permit holders and the approval of the ~~racing~~ commission.

(C) Any person, association, trust, or corporation operating or conducting a horse-racing meeting at a race track in 1974 under license from the commission, or successor in interest to such person, association, trust, or corporation, shall be issued a permit by the commission to conduct a horse-racing meeting at any other race track, if the race track is within fifty miles of the race track at which racing was conducted in 1974, and the facilities of the race track to which it is sought to remove are substantially better than the facilities of the race track from which it is sought to remove. In the event of the removal, no other person, association,

trust, or corporation, or successor in interest to the person, association, trust, or corporation, excepting however, a fair or agricultural society, may conduct racing under license from the commission at the race track from which said permit was removed.

(D) Any person, association, trust, or corporation to whom a permit has been issued under section 3769.06 of the Revised Code but who is unable to conduct a horse-racing meeting on any of the days authorized by the permit because of damage by fire or other cause to the race track, place, or enclosure where the horse-racing meeting was to occur shall be issued a permit by the commission authorizing the unused racing days to be used during the next three successive years for which a permit is issued under section 3769.06 of the Revised Code, except that the commission shall not issue a permit authorizing the future use of the unused days if it has reasonable cause to believe that the actions or negligence of the permit holder substantially contributed to the damage suffered by the track.

Sec. 3769.131. Notwithstanding sections 3769.07 and 3769.13 of the Revised Code, any person operating or conducting a horse-racing meeting at any race track, place, or enclosure in 1990 under a permit issued ~~by the state racing commission~~ under this chapter, or the successor in interest to such person, may, with the approval of the commission, consolidate and hold in one entity all permits issued ~~by the commission~~ under this chapter for horse racing at the same race track, place, or enclosure, as were held in 1990. Any such consolidation of permits shall have no effect on the number of racing days authorized to the holder of the permits by this chapter.

Sec. 3769.14. If there is presented to the board of elections of any county a petition, sworn to in the manner

provided by section 3513.27 of the Revised Code and signed by thirty-five per cent of the qualified and registered electors, where such qualified electors are required to be registered to enjoy the privilege of suffrage, as shown by the most recent general election, but in no event shall such petition contain less than thirty-five hundred signatures of qualified electors, requesting that there be submitted at a general election or at a special election, at the discretion of the board, the issue, "Shall licensed horse racing be prohibited throughout this county for a period of _____ (not to exceed five) years?", the board shall submit such issue to the electors of said county in the manner provided by section 3505.06 of the Revised Code. If a majority of the electors voting on said issue vote "yes" thereon, the ~~state racing~~ commission shall have no jurisdiction thereafter to license meetings in said county for the number of years, not exceeding five, specified in said petition. If a majority of the electors voting on said issue or question vote "no" thereon, such issue or question shall not again be submitted to a vote until the expiration of the time set forth in the petition on which the question or issue was submitted.

When the board of any county has received such petition and accepted it as valid, it shall notify the commission of said petition, and the commission shall not issue a permit for racing in said county between the time of filing said petition and the general or special election.

Sec. 3769.20. (A) To encourage the renovation of existing racing facilities for the benefit of the public, breeders, and horse owners and to increase the revenue to the state from the increase in pari-mutuel wagering resulting from such improvement, the taxes paid by a permit holder to the state, in excess of the amount paid into the nursing home franchise permit

fee fund, shall be reduced by one per cent of the total amount wagered for those permit holders who carry out a major capital improvement project. The percentage of the reduction that may be taken each racing day shall equal seventy-five per cent of the amount of the taxes levied under divisions (B) and (C) of section 3769.08, section 3769.087, and division (F)(2) of section 3769.26 of the Revised Code, as applicable, divided by the calculated amount each fund should receive under divisions (B) and (C) of section 3769.08, section 3769.087, and division (F)(2) of section 3769.26 of the Revised Code and the reduction provided for in this section. If the resulting percentage is less than one, that percentage shall be multiplied by the amount of the reduction provided for in this section. Otherwise, the permit holder shall receive the full reduction provided for in this section. The amount of the allowable reduction not received shall be carried forward and added to any other reduction balance and applied against future tax liability. After any reductions expire, any reduction carried forward shall be treated as a reduction as provided for in this section. If the amount of allowable reduction exceeds the amount of taxes derived from a permit holder, the amount of the allowable reduction not used may be carried forward and applied against future tax liability.

If more than one permit holder is authorized to conduct racing at the facility that is being improved, the cost of the major capital improvement project shall be allocated between or among all the permit holders in the ratio that each permit holder's number of racing days bears to the total number of racing days conducted at the facility.

A reduction for a major capital improvement project shall start from the day racing is first conducted following the date

on which the major capital improvement project is completed and the construction cost has been approved by the ~~state racing~~ commission, except as otherwise provided in division (E) of this section, and shall continue until the total tax reduction equals the cost of the major capital improvement project plus debt service applicable to the project. In no event, however, shall any tax reduction, excluding any reduction balances, be permitted under this section after December 31, 2017. The total tax reduction because of the major capital improvement project shall not during any one year exceed for all permit holders using any one track one per cent of the total amount wagered. The ~~racing~~ commission shall notify the tax commissioner when the reduction of tax begins and when it ends.

(B) Each fiscal year, the ~~racing~~ commission shall submit a report to the tax commissioner, the office of budget and management, and the legislative service commission. The report shall identify each capital improvement project undertaken under this section and in progress at each race track, indicate the total cost of each project, state the tax reduction that resulted from each project during the immediately preceding fiscal year, estimate the tax reduction that will result from each project during the current fiscal year, state the total tax reduction that resulted from all such projects at all race tracks during the immediately preceding fiscal year, and estimate the total tax reduction that will result from all such projects at all race tracks during the current fiscal year.

(C) The tax reduction granted pursuant to this section shall be in addition to any tax reductions for capital improvements and new race tracks provided for in section 3769.08 of the Revised Code and approved by the ~~racing~~ commission.

(D) In order to qualify for the reduction in tax, a permit holder shall apply to the ~~racing~~ commission in such form as the commission may require and shall provide full details of the major capital improvement project, including plans and specifications, a schedule for the project's construction and completion, and a breakdown of proposed costs. In addition, the permit holder shall have commenced construction of the major capital improvement project or shall have had the application for the project approved by the ~~racing~~ commission prior to March 29, 1988. The ~~racing~~ commission shall not approve an application unless the permit holder shows that a contract for the major capital improvement project has been let under an unrestricted competitive bidding procedure, unless the contract is exempted by the controlling board because of its unusual nature. In determining whether to approve an application, the ~~racing~~ commission shall consider whether the major capital improvement project will promote the safety, convenience, and comfort of the racing public and horse owners and generally tend toward the improvement of racing in this state.

(E) If the major capital improvement project is approved by the ~~racing~~ commission and construction has started, the tax reduction may be authorized by the commission upon presentation of copies of paid bills in excess of five hundred thousand dollars. After the initial authorization, the permit holder shall present copies of paid bills in the amount of not less than five hundred thousand dollars. If the permit holder is in substantial compliance with the schedule for construction and completion of the major capital improvement project, the ~~racing~~ commission may authorize the continuance of the tax reduction upon the presentation of the additional paid bills in increments of five hundred thousand dollars. The ~~racing~~ commission may

terminate the tax reduction if a permit holder fails to complete the major capital improvement project or fails to comply substantially with the schedule for construction and completion of the major capital improvement project. If the time for completion of the major capital improvement project is delayed by acts of God, strikes, or the unavailability of labor or materials, the time for completion as set forth in the schedule shall be extended by the period of the delay. If a permit holder fails to complete the major capital improvement project, the ~~racing~~ commission shall order the permit holder to repay to the state the total amount of tax reduced, unless the permit holder has spent at least six million dollars on the project. The normal tax paid by the permit holder under section 3769.08 of the Revised Code shall be increased by one per cent of the total amount wagered until the total amount of the additional tax collected equals the total amount of tax reduced. Any action taken by the ~~racing~~ commission pursuant to this section in terminating the tax adjustment or requiring repayment of the amount of tax reduced shall be subject to Chapter 119. of the Revised Code.

(F) As used in this section, "major capital improvement project" means the renovation, reconstruction, or remodeling, costing at least six million dollars, of a race track facility, including, but not limited to, the construction of barns used exclusively for that race track facility, backstretch facilities for horsemen, paddock facilities, pari-mutuel and totalizator equipment and appurtenances to that equipment purchased by the track, new access roads, new parking areas, the complete reconstruction, reshaping, and leveling of the racing surface and appurtenances, grandstand enclosure, installation of permanent new heating or air conditioning, roof replacement, and

installations of a permanent nature forming a part of the track structure.

(G) The cost and expenses to which the tax reduction granted under this section applies shall be determined by generally accepted accounting principles and be verified by an audit of the permit holder's records, upon completion of the major capital improvement project, either by the ~~racing~~ commission or by an independent certified public accountant selected by the permit holder and approved by the commission.

(H) This section and section 3769.201 of the Revised Code govern any tax reduction granted to a permit holder for the cost to the permit holder of any cleanup, repair, or improvement required as a result of damage caused by the 1997 Ohio river flood to the place, track, or enclosure for which the permit is issued.

Sec. 3769.201. The holder of a permit issued under section 3769.06 of the Revised Code may apply to the ~~state racing~~ commission for the tax reduction available under section 3769.20 of the Revised Code for the cost to the permit holder of any cleanup, repair, or improvement required as a result of damage caused by the 1997 Ohio river flood to the place, track, or enclosure for which the permit is issued. As part of the application, the permit holder shall submit evidence of payment of the cost of the cleanup, repair, or improvement. The commission shall approve the tax reduction in the amount of the cost to the permit holder, net of any insurance proceeds, of any cleanup, repair, or improvement the commission determines was required as a result of damage caused by the flood. The permit holder need not have followed unrestricted competitive bidding procedures as required under section 3769.20 of the Revised Code

to qualify for the reduction under this section.

The permit holder shall claim the tax reduction under this section in the same manner as if it were a tax reduction for a major capital improvement project under section 3769.20 of the Revised Code. The percentage of the reduction that may be taken each racing day shall equal the percentage allowed for a reduction under section 3769.20 of the Revised Code. A reduction under this section shall be in addition to, and shall be taken after completion of, a reduction approved under section 3769.20 or division (J) of section 3769.08 of the Revised Code. A permit holder shall not take a reduction under this section for a repair or improvement for which a reduction is taken under section 3769.20 or division (J) of section 3769.08 of the Revised Code.

Sec. 3769.21. (A) A corporation may be formed pursuant to Chapter 1702. of the Revised Code to establish a thoroughbred horsemen's health and retirement fund and a corporation may be formed pursuant to Chapter 1702. of the Revised Code to establish a harness horsemen's health and retirement fund to be administered for the benefit of horsemen. As used in this section, "horsemen" includes any person involved in the owning, breeding, training, grooming, or racing of horses which race in Ohio, except for the owners or managers of race tracks. For purposes of the thoroughbred horsemen's health and retirement fund, "horsemen" also does not include trainers and grooms who are not members of the thoroughbred horsemen's organization in this state. No more than one corporation to establish a thoroughbred horsemen's health and retirement fund and no more than one corporation to establish a harness horsemen's health and retirement fund may be established in Ohio pursuant to this section. The trustees of the corporation formed to establish a

thoroughbred horsemen's health and retirement fund shall have the discretion to determine which horsemen shall benefit from such fund.

(B) The articles of incorporation of both of the corporations described in division (A) of this section shall provide for at least the following:

(1) The corporation shall be governed by, and the health and retirement fund shall be administered by, a board of three trustees appointed pursuant to division (C) of this section for staggered three-year terms.

(2) The board of trustees shall adopt and administer a plan to provide health benefits, retirement benefits, or both to either thoroughbred or harness horsemen.

(3) The sum paid to the corporation pursuant to division (G) or (H) of section 3769.08 of the Revised Code shall be used exclusively to establish and administer the health and retirement fund, and to finance benefits paid to horsemen pursuant to the plan adopted under division (B)(2) of this section.

(4) The articles of incorporation and code of regulations of the corporation may be amended at any time by the board of trustees pursuant to the method set forth in the articles of incorporation and code of regulations, except that no amendment shall be adopted which is inconsistent with this section.

(C) ~~Within sixty days after the formation of each of the corporations described in division (A) of this section, the state racing~~ The commission shall appoint the members of the ~~board~~ boards of trustees of ~~that corporation~~ the corporations described in division (A) of this section. Vacancies shall be

filled by the ~~state racing~~ commission in the same manner as initial appointments. Each trustee of the thoroughbred horsemen's health and retirement fund appointed by the commission shall be active as a thoroughbred horseman while serving a term as a trustee and shall have been active as a thoroughbred horseman for at least five years immediately prior to the commencement of any such term. Each trustee of the harness horsemen's health and retirement fund appointed by the commission shall be active as a harness horseman while serving a term as a trustee and shall have been active as a harness horseman for at least five years immediately prior to the commencement of any such term. ~~The incorporators of either such corporation may serve as initial trustees until the state racing commission acts pursuant to this section to make these appointments.~~

(D) The intent of the general assembly in enacting this section pursuant to Amended House Bill No. 639 of the 115th general assembly was to fulfill a legitimate government responsibility in a manner that would be more cost efficient and effective than direct state agency administration by permitting nonprofit corporations to be formed to establish health and retirement funds for the benefit of harness and thoroughbred horsemen, as it was determined that such persons were in need of such benefits.

Sec. 3769.22. (A) The general assembly finds and declares all of the following:

(1) A national racing compact, comprised of states that are party to the compact, exists to provide for the licensure and regulation of individuals involved in the horse racing industry.

(2) The intent of the compact is to prevent individual owners, trainers, jockeys, drivers, backstretch employees, totalizator employees, farriers, concessionaires, veterinarians, and other persons involved in live horse racing upon which pari-mutuel wagering is conducted from having to be licensed in each state in which they may conduct business.

(3) The compact authorizes the individuals described in division (A)(2) of this section to be licensed in occupational categories established by the compact committee that oversees the compact and, thus, to be able to practice their occupation in all states that are parties to the compact.

(4) The purposes of the compact are to do all of the following:

(a) Establish uniform requirements among the states that are parties to the compact for the licensure of the individuals described in division (A)(2) of this section and to ensure that all of those individuals licensed pursuant to the compact meet a uniform minimum standard of honesty and integrity;

(b) Facilitate the growth of the horse racing industry in each state that is a party to the compact and throughout the country by simplifying the licensing process for the individuals described in division (A)(4)(a) of this section and by reducing the duplicative and costly process of separate licensing by the applicable agency in each state that is a party to the compact;

(c) Provide for participation in the compact by officials of the states that are parties to the compact, and permit those officials, through the compact committee established by the compact, to enter into contracts with governmental agencies and nongovernmental persons and entities to carry out the purposes

of the compact;

(d) Establish the compact committee as an interstate governmental entity authorized to request and receive criminal record history information from the federal bureau of investigation, other federal law enforcement agencies, the royal Canadian mounted police, law enforcement agencies of other nations, and state and local law enforcement agencies.

(5) Both of the following apply under the compact:

(a) No state that is party to the compact, including that state's racing commission or equivalent agency, is liable for the debts or other financial obligations incurred by the compact committee.

(b) No official of a state that is a party to the compact or employee of the compact committee is personally liable for any act the official or employee performs or omits to perform in good faith while carrying out the official's or employee's responsibilities and duties under the compact.

(B)(1) The ~~state racing~~ commission is hereby authorized to enter into and participate in the compact described in division (A) of this section for the purposes described in that division.

(2) The participation of this state and the commission in the compact shall not have any of the following consequences:

(a) Result in the diminution of any applicable existing standards governing the issuance, denial, suspension, or revocation of a license issued under section 3769.03 of the Revised Code;

(b) Prevent the enforcement of any statute or rule affecting the holder of any such license;

(c) Relieve any individual or entity of its duty to obtain any such license or pay any license fee;

(d) Make the state or the commission liable for the debts or other financial obligations incurred by the compact committee;

(e) Make any officer or employee of this state personally liable for any act the official or employee performs or omits to perform in good faith while carrying out the official's or employee's responsibilities and duties under the compact.

(3) The commission shall designate an individual to represent this state and the commission on the compact committee in the administration of the compact.

Sec. 3769.25. As used in sections 3769.25 to 3769.27 of the Revised Code~~, unless the context requires otherwise~~:

(A) ~~"Simulcast" means the telecast, for wagering purposes, of audio and visual signals of live horse races conducted at facilities either inside or outside this state.~~

~~(B) "Track" means any place, track, or enclosure where a permit holder conducts live horse racing for profit at a race meeting.~~

~~(C)~~ "Permit holder" ~~means a corporation, trust, partnership, limited partnership, association, person, or group of persons issued a permit under this chapter to conduct a racing meeting, other than~~ does not include the holder of a permit issued for a racing meeting at a county fair or an independent fair.

~~(D) "Simulcast host" has the same meaning as in section 3769.089 of the Revised Code.~~

~~(E) "Satellite facility" means any facility that is approved by the state racing commission and at which pari-mutuel wagering is conducted under section 3769.26 of the Revised Code. "Satellite facility" does not include a track.~~

~~(F) "Collection and settlement agent" has the same meaning as in section 3769.0810 of the Revised Code.~~

~~(G)~~ (B) "Approval of the appropriate local legislative authority" means the enactment of an ordinance or resolution by the legislative authority of the municipal corporation where a satellite facility is proposed to be located or, if a satellite facility is proposed to be located in an unincorporated area, by the board of township trustees of the township where the satellite facility is proposed to be located, that approves the location of the satellite facility in the municipal corporation or the unincorporated area. "Approval of the appropriate local legislative authority" also means the failure of the legislative authority of a municipal corporation or the board of township trustees of a township to take a vote to enact an ordinance or resolution described in this division within sixty days after the ordinance or resolution is first introduced before the legislative authority or board.

Sec. 3769.26. (A)(1) Except as otherwise provided in division (B) of this section, each track in existence on September 27, 1994, regardless of the number of permit holders authorized to conduct race meetings at the track, may establish, with the approval of the ~~state racing~~ commission and the appropriate local legislative authority, not more than two satellite facilities at which it may conduct pari-mutuel wagering on horse races conducted either inside or outside this state and simulcast by a simulcast host to the satellite

facilities.

(2) Prior to a track's establishing satellite facilities under this section, the permit holders at that track shall agree among themselves regarding their respective rights and obligations with respect to those satellite facilities.

(3)(a) Any track that desires to establish a satellite facility shall provide written notification of its intent to the ~~state racing~~ commission and to the appropriate local legislative authority that is required to approve the satellite facility, together with detailed plans and specifications for the satellite facility. The commission shall deliver copies of this notification to all other tracks in this state, and the commission shall, within forty-five days after receiving the notification, hold a hearing on the track's intent to establish a satellite facility. At this hearing the commission shall consider the evidence presented and determine whether the request for establishment of a satellite facility shall be approved.

The commission shall not approve a track's request to establish a satellite facility if the owner of the premises where the satellite facility is proposed to be located or if the proposed operator of the satellite facility has been convicted of or has pleaded guilty to a gambling offense that is a felony or any other felony under the laws of this state, any other state, or the United States that the commission determines to be related to fitness to be the owner of such a premises or to be the operator of a satellite facility. As used in division (A)(3)(a) of this section, "gambling offense" has the same meaning as in section 2915.01 of the Revised Code and "operator" means the individual who is responsible for the day-to-day operations of a

satellite facility. The commission shall conduct a background investigation on each person who is the owner of a premises where a satellite facility is proposed to be located or who is proposed to be the operator or an employee of a satellite facility. The commission shall adopt rules in accordance with Chapter 119. of the Revised Code that specify the specific information the commission shall collect in conducting such a background investigation.

No track shall knowingly contract with a person as the owner of the premises where a satellite facility is located, or knowingly employ a person as the operator or an employee of a satellite facility, who has been convicted of or pleaded guilty to a gambling offense that is a felony or any other felony under the laws of this state, any other state, or the United States that the commission determines to be related to fitness to be the owner of such a premises or to be the operator or an employee of a satellite facility. The commission may impose a fine in an amount not to exceed ten thousand dollars on any track that violates any of these prohibitions.

(b) Each track that receives the notification described in division (A)(3)(a) of this section shall notify the commission and the track that desires to establish the satellite facility, within thirty days after receiving the notification from the commission, indicating whether or not it desires to participate in the joint ownership of the facility. Ownership shall be distributed equally among the tracks that choose to participate in the joint ownership of the facility unless the participating tracks agree to and contract otherwise. Tracks that fail to respond to the commission and the track that desires to establish the satellite facility within this thirty-day period regarding the ownership of the particular satellite facility are

not eligible to participate in its ownership.

(B) If, within three years after September 27, 1994, a track in existence on September 27, 1994, does not establish both of the satellite facilities it is authorized to establish under division (A) of this section, another track, with the approval of the ~~racing~~ commission, may establish in accordance with this section a number of additional satellite facilities that does not exceed the number of satellite facilities that the first track did not establish. However, no more than fourteen satellite facilities may be established in this state.

(C) Except as otherwise provided in this division, each permit holder in this state shall allow the races that it conducts, and the races conducted outside this state that it receives as a simulcast host, to be simulcast to all satellite facilities operating in this state and shall take all action necessary to supply its simulcast and wagering information to these satellite facilities. A permit holder at a track where the average daily amount wagered for all race meetings during calendar year 1990 did not exceed two hundred fifty thousand dollars may elect not to simulcast its races to the satellite facilities. If a permit holder at such a track chooses to simulcast its races to satellite facilities, it shall allow its races to be simulcast to all satellite facilities operating in this state. Except as otherwise provided in this division, each satellite facility shall receive simulcasts of and conduct pari-mutuel wagering on all live racing programs being conducted at any track in this state and on all agreed simulcast racing programs, as provided in division ~~(D)~~ (C) of section 3769.089 of the Revised Code, conducted in other states that are received by simulcast in this state, without regard to the breed of horse competing in the race or the time of day of the race.

No satellite facility may receive simulcasts of horse races during the same hours that a county fair or independent fair located within the same county as the satellite facility is conducting pari-mutuel wagering on horse races at that county or independent fair.

Except as otherwise provided in this division, the commission shall not approve the establishment of a satellite facility within a radius of fifty miles of any track. The commission may approve the establishment of a satellite facility at a location within a radius of at least thirty-five but not more than fifty miles from one or more tracks if all of the holders of permits issued for those tracks consent in writing to the establishment of the satellite facility. The commission may approve the establishment of a satellite facility at a location within a radius of thirty-five miles of more than one race track if all holders of permits issued for those tracks consent in writing to the establishment of the satellite facility and, if the tracks are located completely within one county and the proposed satellite facility will be located within that county, if both the legislative authority of the municipal corporation in that county with the largest population, and the appropriate legislative authority that is required to approve the satellite facility under division (A)(1) of this section, approve the establishment of the new satellite facility. The commission may approve the establishment of a satellite facility at a location within a radius of less than twenty miles from an existing satellite facility if the owner of the existing satellite facility consents in writing to the establishment of the new satellite facility.

A satellite facility shall not receive simulcasts of horse races conducted outside this state on any day when no simulcast

host is operating.

(D) Each simulcast host is responsible for paying all costs associated with the up-link for simulcasts. Each satellite facility is responsible for paying all costs associated with the reception of simulcasts and the operation of the satellite facility.

(E) All money wagered at the simulcast host, and all money wagered at all satellite facilities on races simulcast from the simulcast host, shall be included in a common pari-mutuel pool at the simulcast host. Except as otherwise provided in division (F)(6) of this section, the payment shall be the same for all winning tickets whether a wager is placed at a simulcast host or a satellite facility. Wagers placed at a satellite facility shall conform in denomination, character, terms, conditions, and in all other respects to wagers placed at the simulcast host for the same race.

(F)(1) As used in division (F) of this section, "effective rate" means the effective gross tax percentage applicable at the simulcast host, determined in accordance with sections 3769.08 and 3769.087 of the Revised Code, after combining the money wagered at the simulcast host with the money wagered at satellite facilities on races simulcast from the host track.

(2) For the purposes of calculating the amount of taxes to be paid and the amount of commissions to be retained by permit holders, fifty per cent of the amount wagered at satellite facilities on a live racing program simulcast from a simulcast host shall be allocated to the permit holder's live race wagering at that simulcast host that conducts the live racing program, and fifty per cent of the amount wagered at satellite facilities on simulcast racing programs conducted outside this

state shall be allocated to, and apportioned equally among, the permit holders acting as simulcast hosts for the out-of-state simulcast racing programs. The remainder of the amount wagered at a satellite facility on races simulcast from a simulcast host shall be allocated to the satellite facility. In computing the tax due on the amount allocated to the satellite facility, if there is more than one simulcast host for out-of-state simulcast racing programs, the effective rate applied by the satellite facility shall be the tax rate applicable to the simulcast host that pays the highest effective rate under section 3769.08 of the Revised Code on such simulcast racing programs.

(3) The portion of the amount wagered that is allocated to a simulcast host under division (F)(2) of this section shall be treated, for the purposes of calculating the amount of taxes to be paid and commissions to be retained, as having been wagered at the simulcast host on a live racing program or on a simulcast racing program. The permit holder at the simulcast host shall pay, in the manner prescribed under section 3769.103 of the Revised Code, as a tax, the tax specified in sections 3769.08 and 3769.087 of the Revised Code, as applicable, except that the tax shall be calculated using the effective rate, and the permit holder may retain as a commission the percentage of the amount wagered as specified in those sections. From the tax collected, the tax commissioner shall make distributions to the respective funds, and in the proper amounts, as required by sections 3769.08 and 3769.087 of the Revised Code, as applicable.

(4) From the portion of the amount wagered that is allocated to a satellite facility under division (F)(2) of this section, the satellite facility may retain as a commission the amount specified in section 3769.08 or 3769.087 of the Revised Code, as applicable. The portion of the amount wagered that is

allocated to a satellite facility shall be subject to tax at the effective rate as follows:

(a) One per cent of such amount allocated to the satellite facility shall be paid as a tax each racing day to the tax commissioner for deposit into the nursing home franchise permit fee fund.

(b) The remaining balance of the taxes calculated at the effective rate, after payment of the tax specified in division (F)(4)(a) of this section, shall be retained by the satellite facility to pay for those costs associated with the reception of the simulcasts.

(5) From the commission retained by a satellite facility after the deduction of the tax paid at the effective rate under division (F)(4) of this section, the satellite facility shall retain an amount equal to two and three-eighths per cent of the amount wagered that day on simulcast racing programs and the balance shall be divided as follows:

(a) One-half shall be paid to the owner of the satellite facility;

(b) One-half shall be paid to the ~~state racing~~ commission for deposit into the Ohio combined simulcast horse racing purse fund.

(6) In addition to the commission retained under this section, a satellite facility shall retain two and one-half per cent of the amount that would otherwise be paid on each winning wager unless the retention of this amount would either cause or add to a minus pool. As used in division (F)(6) of this section, "minus pool" means a wagering pool in which a winning wager is paid off at less than one hundred ten per cent of the amount of

the wager. The amount retained shall be paid each racing day to the tax commissioner for deposit into the nursing home franchise permit fee fund.

(7) At the close of each day, each satellite facility shall pay, by check, draft, or money order, or by wire transfer of funds, out of the money retained on that day to the collection and settlement agent the required fee to be paid by the simulcast host to the tracks, racing associations, or state regulatory agencies located outside this state for simulcasts into this state computed and based on one-half of the amount wagered at the satellite facility that day on interstate simulcast racing programs.

(G) No license, fee, or excise tax, other than as specified in division (F)(6) of this section, shall be assessed upon or collected from a satellite facility, the owners of a satellite facility, or the holders of permits issued for a track that has established a satellite facility by any county, township, municipal corporation, district, or other body having the authority to assess or collect a tax or fee.

(H) In no case shall that portion of the commissions designated for purses from satellite facilities be less than that portion of those commissions designated for purses at the simulcast host.

(I) It is the intention of the general assembly in enacting this section not to adversely affect the amounts paid into the Ohio thoroughbred race fund created under section 3769.083 of the Revised Code. Therefore, each track that acts as a simulcast host under this section shall calculate, on a semi-annual basis during calendar years 1994, 1995, and 1996, its average daily contribution to the Ohio thoroughbred race fund

created under section 3769.083 of the Revised Code on those days on which the track conducted live horse racing. If this average daily contribution to the fund is less than the average daily contribution from the same track to the fund during the same six-month period of calendar year 1992, there shall be contributed to the fund an amount equal to the average daily shortfall multiplied by the number of days of live racing conducted during the six-month period in calendar year 1994, 1995, or 1996, as applicable. The amount of such contribution shall be allocated among the simulcast host, the purse program at the simulcast host, and the satellite facilities for which the track served as the simulcast host, on a pro rata basis in proportion to the amounts contributed by them to the fund during such six-month period in calendar year 1994, 1995, or 1996, as applicable.

Sec. 3769.27. (A) If a petition is presented, not later than four p.m. of the ninetieth day before the day of a general or primary election, to the board of elections of any county, signed by qualified electors of the county equal in number to at least ten per cent of the total number of votes cast in the county for the office of governor at the preceding general election for that office, but signed by at least five hundred electors, requesting that there be submitted the question "shall satellite facilities that receive simulcasts of live horse races and that conduct wagering on those simulcasts be prohibited throughout this county for a period of _____ (not to exceed five) years?", the board of elections shall submit this question to the electors of the county on the day of the next general or primary election, whichever occurs first, in the manner provided by law for the submission of questions and issues. The board of elections shall notify the ~~state racing~~ commission of the

results of the election on the question.

(B) If a majority of the electors voting on the question set forth in division (A) of this section vote "yes," the ~~state racing~~ commission shall have no jurisdiction thereafter to approve satellite facilities in that county for the number of years, not exceeding five, specified in the petition. If a majority of the electors voting on the question set forth in division (A) of this section vote "no," this question shall not again be submitted to a vote in the county until the expiration of the time set forth in the petition. When the board of elections of any county has received a petition and accepted it as valid, it shall so notify the commission and the commission shall not approve a satellite facility in that county between this notification and the day of the general or primary election.

(C) Once a proposed satellite facility receives the approval of the appropriate local legislative authority, a petition seeking an election under this section in the county where the proposed satellite facility will be located is invalid unless the date of signing of each signature on the petition that is counted by the board of elections to meet the number of signatures required by division (A) of this section is a date within ninety days after the date of the approval of the appropriate local legislative authority for the proposed satellite facility.

Sec. 3769.99. (A) Whoever knowingly does any of the following commits a misdemeanor of the first degree on the first offense and a felony of the fifth degree on a subsequent offense:

(1) Makes a false statement on an application submitted

under this chapter;

(2) Permits an individual under eighteen years of age to engage in pari-mutuel wagering on horse racing;

(3) Participates in pari-mutuel wagering on horse racing in violation of division (D) of section 3769.11 of the Revised Code, other than as part of operating pari-mutuel wagering on horse racing or as part of the employee's employment.

(B) Whoever knowingly does any of the following commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense. If the person is a permit holder or licensee under this chapter, the commission shall revoke the person's permit or license issued under this chapter after the first offense.

(1) Offers, promises, or gives anything of value to anyone for the purpose of influencing the outcome of a horse race on which pari-mutuel wagering is conducted or attempts to do so;

(2) Places, increases, or decreases a wager after acquiring knowledge not available to the general public that anyone has been offered, promised, or given anything of value for the purpose of influencing the outcome of the horse race upon which the wager is placed, increased, or decreased, or attempts to do so;

(3) Manufactures, sells, or distributes any device that is intended by that person to be used to violate any provision of this chapter or Chapter 3772. of the Revised Code or the horse racing laws of any other state;

(4) Places a bet or aids any other person in placing a bet on a horse race after unlawfully acquiring knowledge of the outcome on which winnings from that bet are contingent;

(5) Claims, collects, or takes anything of value from a permit holder with intent to defraud or attempts to do so without having made a wager in which the amount or value is legitimately won or owed;

(6) Places a wager using counterfeit currency or other counterfeit form of credit approved for wagering;

(7) Possesses any device intended to be used to violate this chapter, Chapter 3772. of the Revised Code, or any rule adopted thereunder with respect to pari-mutuel wagering on horse racing, or any materials used to manufacture such a device. This division does not apply to a permit holder or to an agent or employee of a permit holder who is acting in furtherance of the permit holder's interest.

(8) Changes or alters the normal outcome of any pari-mutuel wagering on horse racing, including any system used to monitor the wagering, or the way in which the outcome is reported to any patron;

(9) Operates pari-mutuel wagering on horse racing in a manner other than the manner required under this chapter and Chapter 3772. of the Revised Code. Premises or any internet web site used or occupied in violation of this division constitute a nuisance subject to abatement under Chapter 3767. of the Revised Code.

(C) Whoever knowingly does any of the following commits a felony of the third degree. If the person is a permit holder or licensee under this chapter, the commission shall revoke the person's permit or license issued under this chapter after the first offense. If the person is a public servant or political party official, the person is forever disqualified from holding

any public office, employment, or position of trust in this state.

(1) Offers, promises, or gives anything of value or benefit to a person who is connected with a permit holder, an agent or employee of a permit holder, or a member, agent, or employee of the commission, under an agreement to influence, or with the intent to influence, the actions of the person to whom the offer, promise, or gift is made in order to affect or attempt to affect the outcome of pari-mutuel wagering on horse racing or an official action of a member, agent, or employee of the commission;

(2) Solicits, accepts, or receives a promise of anything of value or benefit while the person is connected with a permit holder, an agent or employee of a permit holder, or a member, agent, or employee of the commission, 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 pari-mutuel wagering on horse racing or an official action of a member, agent, or employee of the commission.

(D) Whoever knowingly does any of the following while participating in pari-mutuel wagering on horse racing or otherwise transacting with a permit holder as permitted under this chapter commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense:

(1) Causes or attempts to cause the person to fail to file a report required under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, or to fail to file a report or maintain a record required by an order issued under section 21 of the "Federal

Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508;

(2) Causes or attempts to cause the person to file a report under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, to file a report or to maintain a record required by any order issued under 31 U.S.C. 3126, or to maintain a record required under any regulation prescribed under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508 that contains a material omission or misstatement of fact;

(3) With one or more permit holders, structures a transaction, is complicit in structuring a transaction, attempts to structure a transaction, or is complicit in an attempt to structure a transaction. As used in this division:

(a) To be "complicit" means to engage in any conduct of a type described in divisions (A)(1) to (4) of section 2923.03 of the Revised Code.

(b) "Structure a transaction" has the same meaning as in section 1315.51 of the Revised Code.

Sec. ~~3770.10~~ 3770.01. As used in~~ sections 3770.07 to 3770.073 and 3770.10 to 3770.14 of the Revised Code~~ this chapter, except where the context requires otherwise:

(A) "Commission" means the state lottery commission established under section 3770.011 of the Revised Code.

(B) "Court of competent jurisdiction" means either the general division or the probate division of the court of common pleas of the county in which the prize winner or transferor resides, or, if the prize winner or transferor is not a resident

of this state, either the general division or the probate division of the court of common pleas of Franklin county or a federal court having jurisdiction over the lottery prize award.

~~(B)~~ (C) "Discounted present value" means the present value of the future payments of a lottery prize award that is determined by discounting those payments to the present, using the most recently published applicable federal rate for determining the present value of an annuity as issued by the United States internal revenue service and assuming daily compounding.

~~(C)~~ (D) "Independent professional advice" means the advice of an attorney, a certified public accountant, an actuary, or any other licensed professional adviser if all of the following apply:

(1) The prize winner has engaged the services of the licensed professional adviser to render advice concerning the legal and other implications of a transfer of the lottery prize award.

(2) The licensed professional adviser is not affiliated in any manner with or compensated in any manner by the transferee of the lottery prize award.

(3) The compensation of the licensed professional adviser is not affected by whether or not a transfer of a lottery prize award occurs.

~~(D)~~ (E) "Internet lottery gaming" means an internet-based version of lottery gaming in which lots are drawn to determine a winner by chance among those who have purchased a lottery ticket. "Internet lottery gaming" does not include video lottery terminal gaming.

(F) "Lottery prize award" means winnings from any form of lottery gaming, including lottery sports gaming or a video lottery terminal.

(G) "Lottery sales agent" means both of the following:

(1) A person licensed by the commission under section 3770.05 of the Revised Code to sell lottery tickets or otherwise offer lottery gaming on behalf of the commission, including a type C sports gaming host;

(2) A video lottery sales agent.

(H) "Lottery sports gaming" means sports gaming conducted by a type C sports gaming proprietor on behalf of the commission and offered through lottery sales agents that are licensed as type C sports gaming hosts.

(I) "Ohio voluntary exclusion program" has the same meaning as in section 3772.01 of the Revised Code.

(J) "Permit holder" and "track" have the same meanings as in section 3769.01 of the Revised Code.

(K) "Prize winner" means any person that holds the right to receive all or any part of a lottery prize award as a result of being any of the following:

(1) A person who is a claimant under division (A) of section 3770.07 of the Revised Code;

(2) A person who is entitled to a prize award and who is under a legal disability as described in division (B) of section 3770.07 of the Revised Code;

(3) A person who was awarded a prize award to which another has claimed title by a federal bankruptcy court order or

other court order referred to in division (D) of section 3770.07 of the Revised Code;

(4) A person who is receiving payments upon the death of a prize winner as provided in division (D) of section 3770.07 of the Revised Code.

~~(E)~~ (L) "Sports gaming," "type C sports gaming proprietor," and "type C sports gaming host" have the same meanings as in section 3775.01 of the Revised Code.

(M) "Statewide joint lottery game" means a lottery game that the commission sells solely within this state under an agreement with other lottery jurisdictions to sell the same lottery game solely within their statewide or other jurisdictional boundaries.

(N) "Transfer" means any form of sale, assignment, or redirection of payment of all or any part of a lottery prize award for consideration.

~~(F)~~ (O) "Transfer agreement" means an agreement that is complete and valid, and that provides for the transfer of all or any part of a lottery prize award from a transferor to a transferee. A transfer agreement is incomplete and invalid unless the agreement contains both of the following:

(1) A statement, signed by the transferor under penalties of perjury, that the transferor irrevocably agrees that the transferor is subject to the tax imposed by Chapter 5733. or 5747. of the Revised Code with respect to gain or income which the transferor will recognize in connection with the transfer. If the transferor is a pass-through entity, as defined in section 5733.04 of the Revised Code, each investor in the pass-through entity shall also sign under penalties of perjury a

statement that the investor irrevocably agrees that the investor is subject to the tax imposed by Chapter 5733. or 5747. of the Revised Code with respect to gain or income which the transferor and the investor will recognize in connection with the transfer.

(2) A statement, signed by the transferee, that the transferee irrevocably agrees that the transferee is subject to the withholding requirements imposed by division (C) of section 3770.072 of the Revised Code and that the transferee is subject to the tax imposed by Chapter 5733. or 5747. of the Revised Code with respect to gain or income which the transferee will recognize in connection with lottery prize awards to be received as a result of the transfer. If the transferee is a pass-through entity, as defined in section 5733.04 of the Revised Code, each investor in the pass-through entity shall also sign under penalties of perjury a statement setting forth that the investor irrevocably agrees that the investor is subject to the withholding requirements imposed by division (C) of section 3770.072 of the Revised Code and is subject to the tax imposed by Chapter 5733. or 5747. of the Revised Code with respect to gain or income which the transferee and the investor will recognize in connection with lottery prize awards to be received as a result of the transfer.

~~(G)~~ (P) "Transferee" means a party acquiring or proposing to acquire all or any part of a lottery prize award through a transfer.

~~(H)~~ (Q) "Transferor" means either a prize winner or a transferee in an earlier transfer whose interest is acquired by or is sought to be acquired by a transferee or a new transferee through a transfer.

~~(I) "Lottery prize award" includes winnings from lottery~~

~~sports gaming.~~(R) "Video lottery sales agent" means a permit holder who is licensed by the Ohio casino control commission to operate video lottery terminals at a track operated by the permit holder.

(S) "Video lottery technology provider" means a video lottery terminal manufacturer, distributor, or provider that contracts with video lottery sales agents.

(T) "Video lottery terminal" means an electronic device approved by the Ohio casino control commission that provides immediate lottery prize determinations for participants on an electronic display that is located at a track operated by a video lottery sales agent.

(U) "Video lottery terminal income" means credits played, minus approved video lottery terminal promotional gaming credits, minus video lottery prize awards.

(V) "Video lottery terminal promotional gaming credit" means a video lottery terminal game credit, discount, or other similar item issued to a patron to enable the placement of, or increase in, a wager at a video lottery terminal.

Sec. ~~3770.01~~ 3770.011. (A) There is hereby created the state lottery commission consisting of nine members appointed by the governor with the advice and consent of the senate. No more than five members of the commission shall be members of the same political party. Of the additional and new appointments made to the commission pursuant to the amendment of August 1, 1980, three shall be for terms ending August 1, 1981, three shall be for terms ending August 1, 1982, and three shall be for terms ending August 1, 1983. Thereafter, terms of office shall be for three years, each term ending on the same day of the same month

of the year as did the term which it succeeds.

(B) Each member shall hold office from the date of appointment until the end of the term for which the member was appointed. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that term. Any member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.

(C) All members of the commission shall be citizens of the United States and residents of this state. The members of the commission shall represent the various geographic regions of the state. No member of the commission shall have any pecuniary interest in any contract or license awarded by the commission. One person appointed as a member of the commission shall have experience or training in the area of problem gambling or other addictions and in assistance to recovering gambling or other addicts. Each person appointed as a member of the commission, except the member appointed as having experience or training in the area of problem gambling or other addictions and in assistance to recovering gambling or other addicts, shall have prior experience or education in business administration, management, sales, marketing, or advertising.

(D) The commission shall elect annually one of its members to serve as chairperson for a term of one year. Election as chairperson shall not extend a member's appointive term. Each member of the commission shall receive an annual salary of five thousand dollars, payable in monthly installments. Each member of the commission also shall receive the member's actual and

necessary expenses incurred in the discharge of the member's official duties.

(E) Each member of the commission, before entering upon the discharge of the member's official duties, shall give a bond, payable to the treasurer of state, in the sum of ten thousand dollars with sufficient sureties to be approved by the treasurer of state, which bond shall be filed with the secretary of state.

(F) The governor may remove any member of the commission for malfeasance, misfeasance, or nonfeasance in office, giving the member a copy of the charges against the member and affording the member an opportunity to be publicly heard in person or by counsel in the member's own defense upon not less than ten days' notice. If the member is removed, the governor shall file in the office of the secretary of state a complete statement of all charges made against the member and the governor's finding on the charges, together with a complete report of the proceedings, and the governor's decision on the charges is final.

(G) The commission shall maintain offices at locations in the state as it may consider necessary for the efficient performance of its functions. The director shall maintain an office in Columbus to coordinate the activities of the state lottery commission with other state departments.

Sec. 3770.02. (A) Subject to the advice and consent of the senate, the governor shall appoint a director of the state lottery commission who shall serve at the pleasure of the governor. The director shall devote full time to the duties of the office and shall hold no other office or employment. The director shall meet all requirements for appointment as a member

of the commission and shall, by experience and training, possess management skills that equip the director to administer an enterprise of the nature of a state lottery. The director shall receive an annual salary in accordance with pay range 48 of section 124.152 of the Revised Code.

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

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

(C)(1) The director shall appoint deputy directors as necessary and as many regional managers as are required. The director may also appoint necessary professional, technical, and clerical assistants. All such officers and employees shall be appointed and compensated pursuant to Chapter 124. of the Revised Code. Regional and assistant regional managers, sales representatives, and any lottery executive account representatives shall remain in the unclassified service. The assistant director shall act as director in the absence or disability of the director. If the director does not appoint an assistant director, the director shall designate a deputy director to act as director in the absence or disability of the director.

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

(D) The director shall request the bureau of criminal identification and investigation, the department of public safety, or any other state, local, or federal agency to supply the director with the criminal records of any job applicant and may periodically request the criminal records of commission employees. At or prior to the time of making such a request, the director shall require a job applicant or commission employee to obtain fingerprint cards prescribed by the superintendent of the bureau of criminal identification and investigation at a qualified law enforcement agency, and the director shall cause these fingerprint cards to be forwarded to the bureau of criminal identification and investigation and the federal bureau of investigation. The commission shall assume the cost of obtaining the fingerprint cards and shall pay to each agency supplying criminal records for each investigation under this division a reasonable fee, as determined by the agency.

~~(E) The~~ (E)(1) Except as otherwise provided in sections 3770.21 to 3770.22 of the Revised Code, the director shall license lottery sales agents pursuant to section 3770.05 of the Revised Code and, when it is considered necessary, may revoke or suspend the license of any lottery sales agent. ~~The~~

(2) Except as otherwise provided in sections 3770.21 to 3770.22 of the Revised Code, the director may license ~~video~~ lottery technology providers, independent testing laboratories, and gaming employees, and promulgate rules relating thereto. When the director considers it necessary, the director may suspend or revoke the license of a ~~video~~ lottery technology

provider, independent testing laboratory, or gaming employee, including suspension or revocation without affording an opportunity for a prior hearing under section 119.07 of the Revised Code when the public safety, convenience, or trust requires immediate action.

(F) The director shall confer at least once each month with the commission, at which time the director shall advise it regarding the operation and administration of the lottery. The director shall make available at the request of the commission all documents, files, and other records pertaining to the operation and administration of the lottery. The director shall prepare and make available to the commission each month a complete and accurate accounting of lottery revenues, prize money disbursements and the cost of goods and services awarded as prizes, operating expenses, and all other relevant financial information, including an accounting of all transfers made from any lottery funds in the custody of the treasurer of state to benefit education.

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

(H)(1) Pursuant to rules adopted by the commission under section 3770.03 of the Revised Code, the director shall require any lottery sales agents to deposit to the credit of the state lottery fund, in banking institutions designated by the treasurer of state, net proceeds due the commission as determined by the director.

(2) Pursuant to rules adopted by the commission under Chapter 119. of the Revised Code, the director may impose penalties for the failure of a sales agent to transfer funds to

the commission in a timely manner. Penalties may include monetary penalties, immediate suspension or revocation of a license, or any other penalty the commission adopts by rule.

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

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

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

~~(3)~~ (2) The entire net proceeds from any statewide joint lottery games shall be used to fund elementary, secondary, vocational, and special education programs in this state.

~~(4)~~ (3) The commission shall conduct any statewide joint lottery games in accordance with rules it adopts under division (B)(5) of section 3770.03 of the Revised Code.

(K)(1) The director shall enter into an agreement with the department of mental health and addiction services under which the department shall provide a program of gambling addiction services on behalf of the commission. The commission shall pay

the costs of the program provided pursuant to the agreement.

(2) As used in this section, "gambling addiction services" has the same meaning as in section 5119.01 of the Revised Code.

Sec. 3770.03. (A)(1) The state lottery commission shall promulgate rules pursuant to Chapter 119. of the Revised Code, and shall adopt operating procedures, under which a statewide lottery and statewide joint lottery may be conducted, which includes, and since the original enactment of this section has included, the authority for the commission to operate video lottery terminal games, internet lottery gaming, and all other lottery games. Any reference in this chapter to tickets shall not be construed to in any way limit the authority of the commission to operate video lottery terminal games ~~or~~ , lottery sports gaming, or internet lottery gaming.

(2) Except regarding matters about which this chapter explicitly requires the commission to promulgate rules under Chapter 119. of the Revised Code, the commission instead may adopt operating procedures for the conduct of lottery games. Those operating procedures shall include, but need not be limited to, the following:

(a) The type of lottery to be conducted;

(b) The prices of tickets in the lottery;

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

(3) The commission shall publish all of its operating procedures on its official web site and shall make copies of its operating procedures available to the public upon request.

(4) An operating procedure adopted under this section is not considered a rule under section 111.15 of the Revised Code.

(5) All rules of the commission that are in effect on ~~the effective date of this amendment~~ October 3, 2023, remain effective unless the commission rescinds them.

(B) The commission shall promulgate rules pursuant to Chapter 119. of the Revised Code concerning all of the following:

(1) The locations at which lottery tickets may be sold and the manner in which they are to be sold. These rules may authorize the sale of lottery tickets by commission personnel or other licensed individuals from traveling show wagons at the state fair, and at any other expositions the director of the commission considers acceptable. These rules shall prohibit commission personnel or other licensed individuals from soliciting from an exposition the right to sell lottery tickets at that exposition, but shall allow commission personnel or other licensed individuals to sell lottery tickets at an exposition if the exposition requests commission personnel or licensed individuals to do so. These rules may also address the accessibility of sales agent locations to commission products in accordance with the "Americans with Disabilities Act of 1990," 104 Stat. 327, 42 U.S.C. 12101 et seq.

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

(3) The amount of compensation to be paid to licensed lottery sales agents~~;~~, provided that for lottery gaming other

than video lottery terminal gaming, lottery sports gaming, and internet lottery gaming, a lottery sales agent shall receive a base commission rate of not less than the following amount:

(a) During the first year in which the commission conducts internet lottery gaming, one-quarter per cent more than the base commission rate that applies on the effective date of this amendment;

(b) Thereafter, one-half per cent more than the base commission rate that applies on the effective date of this amendment.

(4) ~~The~~ Except as otherwise provided in sections 3770.21 to 3770.22 of the Revised Code, the substantive criteria for the licensing of lottery sales agents consistent with section 3770.05 of the Revised Code, and procedures for revoking or suspending their licenses consistent with Chapter 119. of the Revised Code. If circumstances, such as the nonpayment of funds owed by a lottery sales agent, or other circumstances related to the public safety, convenience, or trust, require immediate action, the director may suspend a license without affording an opportunity for a prior hearing under section 119.07 of the Revised Code.

(5) Special game rules to implement any agreements signed by the governor that the director enters into with other lottery jurisdictions under division (J) of section 3770.02 of the Revised Code to conduct statewide joint lottery games. The rules shall require that the entire net proceeds of those games that remain, after associated operating expenses, prize disbursements, lottery sales agent bonuses, commissions, and reimbursements, and any other expenses necessary to comply with the agreements or the rules are deducted from the gross proceeds

of those games, be transferred to the lottery profits education fund under division (B) of section 3770.06 of the Revised Code.

(6) Rules ~~establishing any of the following with respect to the operation of video~~ implementing internet lottery ~~terminal games:~~

~~(a) Any fees, fines, or payment schedules;~~

~~(b) Any voluntary exclusion program~~ gaming;

(7) Rules specifying the circumstances under which the commission, instead of a type C sports gaming proprietor, is responsible for withholding amounts from lottery sports gaming winnings under sections 3770.071, 3770.072, and 3770.073 of the Revised Code.

(C) ~~Chapter~~ Chapters 2915., 3768., and 3771. of the Revised Code ~~does~~ do not apply to, affect, or prohibit lotteries conducted pursuant to this chapter.

(D) The commission may promulgate rules pursuant to Chapter 119. of the Revised Code that establish any 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. As soon as practicable after the end of each fiscal year, the commission shall prepare and transmit to the governor and the general assembly a report of lottery revenues, prize disbursements, and operating expenses for the preceding fiscal year and any recommendations for legislation considered necessary by the commission.

Sec. 3770.05. (A) As used in this section, "person" means any individual, association, corporation, limited liability company, partnership, club, trust, estate, society, receiver, trustee, person acting in a fiduciary or representative capacity, instrumentality of the state or any of its political subdivisions, or any other business entity or combination of individuals meeting the requirements set forth in this section or established by rule or order of the state lottery commission.

(B) ~~The~~ Except as otherwise provided in sections 3770.21 to 3770.22 of the Revised Code, the director of the state lottery commission may license any person as a lottery sales agent.

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

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

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

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

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

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

(C) Except as otherwise provided in divisions (F) and (G) of this section, the director of the state lottery commission may refuse to grant, or may suspend or revoke, a license if the applicant or licensee:

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

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

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

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

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

(D) Except as otherwise provided in division (G) of this section, the director of the state lottery commission may refuse to grant, or may suspend or revoke, a license if the applicant or licensee is a corporation or other business entity, and any

of the following applies:

(1) Any of the directors, officers, managers, or controlling shareholders has been found guilty of any of the activities specified in divisions (C)(1) to (5) of this section;

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

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

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

(E)(1) The director of the state lottery commission shall revoke a lottery sales agent license if the applicant or licensee is or has been convicted of a violation of division (A) or (C)(1) of section 2913.46 of the Revised Code.

(2) The director shall revoke the lottery sales agent license of a corporation if the corporation is or has been convicted of a violation of division (A) or (C)(1) of section 2913.46 of the Revised Code.

(F) The director of the state lottery commission shall not refuse to issue a license to an applicant because of a conviction of an offense unless the refusal is in accordance

with section 9.79 of the Revised Code.

(G) The director of the state lottery commission shall request the bureau of criminal identification and investigation, the department of public safety, or any other state, local, or federal agency to supply the director with the criminal records of any applicant for a lottery sales agent license, and may periodically request the criminal records of any person to whom a lottery sales agent license has been issued. At or prior to the time of making such a request, the director shall require an applicant or licensee to obtain fingerprint impressions on fingerprint cards prescribed by the superintendent of the bureau of criminal identification and investigation at a qualified law enforcement agency, and the director shall cause those fingerprint cards to be forwarded to the bureau of criminal identification and investigation, to the federal bureau of investigation, or to both bureaus. The commission shall assume the cost of obtaining the fingerprint cards.

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

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

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

(a) Pay fees to the state lottery commission, if required by rule adopted by the director under Chapter 119. of the

Revised Code and the controlling board approves the fees;

(b) Prior to approval of the application, obtain a surety bond in an amount the director determines by rule adopted under Chapter 119. of the Revised Code or, alternatively, with the director's approval, deposit the same amount into a dedicated account for the benefit of the state lottery. The director also may approve the obtaining of a surety bond to cover part of the amount required, together with a dedicated account deposit to cover the remainder of the amount required. The director also may establish an alternative program or policy, with the approval of the commission by rule adopted under Chapter 119. of the Revised Code, that otherwise ensures the lottery's financial interests are adequately protected. If such an alternative program or policy is established, an applicant or lottery sales agent, subject to the director's approval, may be permitted to participate in the program or proceed under that policy in lieu of providing a surety bond or dedicated amount.

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

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

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

A licensed lottery sales agent, on or before the date established by the director, shall renew the agent's license and provide at that time evidence to the director that the surety bond, dedicated account deposit, or both, required under division (H)(1)(b) of this section has been renewed or is active, whichever applies.

Before the commission renews a lottery sales agent license, the lottery sales agent shall submit a renewal fee to the commission, if one is required by rule adopted by the director under Chapter 119. of the Revised Code and the controlling board approves the renewal fee. The renewal fee shall not exceed the actual cost of administering the license renewal and processing changes reflected in the renewal application. The renewal of the license is effective for at least one year, but not more than three years.

(3) A lottery sales agent license shall be complete, accurate, and current at all times during the term of the license. Any changes to an original license application or a renewal application may subject the applicant or lottery sales agent, as applicable, to paying an administrative fee that shall be in an amount that the director determines by rule adopted under Chapter 119. of the Revised Code, and that the controlling board approves, and that shall not exceed the actual cost of administering and processing the changes to an application.

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

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

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

Sec. 3770.06. (A) There is hereby created the state lottery gross revenue fund, which shall be in the custody of the treasurer of state but shall not be part of the state treasury. All gross revenues received from sales of lottery tickets, fines, fees, and related proceeds in connection with the statewide lottery, all gross proceeds of lottery sports gaming described in sections ~~3770.23 to~~ 3770.24 and 3770.25 of the Revised Code, and all gross proceeds from statewide joint lottery games shall be deposited into the fund. The treasurer of state shall invest any portion of the fund not needed for immediate use in the same manner as, and subject to all provisions of law with respect to the investment of, state funds. The treasurer of state shall disburse money from the fund on order of the director of the state lottery commission or the director's designee.

Except for gross proceeds from statewide joint lottery games, all revenues of the state lottery gross revenue fund that are not paid to holders of winning lottery tickets, that are not required to meet short-term prize liabilities, that are not credited to lottery sales agents in the form of bonuses, commissions, or reimbursements, that are not paid to financial institutions to reimburse those institutions for sales agent nonsufficient funds, and that are collected from sales agents for remittance to insurers under contract to provide sales agent bonding services shall be transferred to the state lottery fund, which is hereby created in the state treasury. In addition, all revenues of the state lottery gross revenue fund that represent the gross proceeds from the statewide joint lottery games and that are not paid to holders of winning lottery tickets, that are not required to meet short-term prize liabilities, that are not credited to lottery sales agents in the form of bonuses, commissions, or reimbursements, and that are not necessary to cover operating expenses associated with those games or to otherwise comply with the agreements signed by the governor that the director enters into under division (J) of section 3770.02 of the Revised Code or the rules the commission adopts under division (B)(5) of section 3770.03 of the Revised Code shall be transferred to the state lottery fund. All investment earnings of the fund shall be credited to the fund. Moneys shall be disbursed from the fund pursuant to vouchers approved by the director. Total disbursements for monetary prize awards to holders of winning lottery tickets in connection with the statewide lottery, other than lottery sports gaming, and purchases of goods and services awarded as prizes to holders of winning lottery tickets shall be of an amount equal to at least fifty per cent of the total revenue accruing from the sale of lottery tickets.

(B) Pursuant to Section 6 of Article XV, Ohio Constitution, there is hereby established in the state treasury the lottery profits education fund. Whenever, in the judgment of the director of the state lottery commission, the amount to the credit of the state lottery fund that does not represent proceeds from statewide joint lottery games is in excess of that needed to meet the maturing obligations of the commission and as working capital for its further operations, the director of the state lottery commission shall recommend the amount of the excess to be transferred to the lottery profits education fund, and the director of budget and management may transfer the excess to the lottery profits education fund in connection with the statewide lottery. In addition, whenever, in the judgment of the director of the state lottery commission, the amount to the credit of the state lottery fund that represents proceeds from statewide joint lottery games equals the entire net proceeds of those games as described in division (B)(5) of section 3770.03 of the Revised Code and the rules adopted under that division, the director of the state lottery commission shall recommend the amount of the proceeds to be transferred to the lottery profits education fund, and the director of budget and management may transfer those proceeds to the lottery profits education fund. Investment earnings of the lottery profits education fund shall be credited to the fund.

The lottery profits education fund shall be used solely for the support of elementary, secondary, vocational, and special education programs as determined in appropriations made by the general assembly, or as provided in applicable bond proceedings for the payment of debt service on obligations issued to pay costs of capital facilities, including those for a system of common schools throughout the state pursuant to

section 2n of Article VIII, Ohio Constitution. When determining the availability of money in the lottery profits education fund, the director of budget and management may consider all balances and estimated revenues of the fund.

(C) There is hereby established in the state treasury the deferred prizes trust fund. With the approval of the director of budget and management, an amount sufficient to fund annuity prizes shall be transferred from the state lottery fund and credited to the trust fund. The treasurer of state shall credit all earnings arising from investments purchased under this division to the trust fund. Within sixty days after the end of each fiscal year, the treasurer of state shall certify to the director of budget and management whether the actuarial amount of the trust fund is sufficient over the fund's life for continued funding of all remaining deferred prize liabilities as of the last day of the fiscal year just ended. Also, within that sixty days, the director of budget and management shall certify the amount of investment earnings necessary to have been credited to the trust fund during the fiscal year just ending to provide for such continued funding of deferred prizes. Any earnings credited in excess of the latter certified amount shall be transferred to the lottery profits education fund.

To provide all or a part of the amounts necessary to fund deferred prizes awarded by the commission in connection with the statewide lottery, the treasurer of state, in consultation with the commission, may invest moneys contained in the deferred prizes trust fund which represents proceeds from the statewide lottery in obligations of the type permitted for the investment of state funds but whose maturities are thirty years or less. Notwithstanding the requirements of any other section of the Revised Code, to provide all or part of the amounts necessary to

fund deferred prizes awarded by the commission in connection with statewide joint lottery games, the treasurer of state, in consultation with the commission, may invest moneys in the trust fund which represent proceeds derived from the statewide joint lottery games in accordance with the rules the commission adopts under division (B)(5) of section 3770.03 of the Revised Code. Investments of the trust fund are not subject to the provisions of division (A)(11) of section 135.143 of the Revised Code limiting to twenty-five per cent the amount of the state's total average portfolio that may be invested in debt interests other than commercial paper and limiting to five per cent the amount that may be invested in debt interests, including commercial paper, of a single issuer.

All purchases made under this division shall be effected on a delivery versus payment method and shall be in the custody of the treasurer of state.

The treasurer of state may retain an investment advisor, if necessary. The commission shall pay any costs incurred by the treasurer of state in retaining an investment advisor.

(D) The auditor of state shall conduct annual audits of all funds and any other audits as the auditor of state or the general assembly considers necessary. The auditor of state may examine all records, files, and other documents of the commission, and records of lottery sales agents that pertain to their activities as agents, for purposes of conducting authorized audits.

(E) The state lottery commission shall establish an internal audit plan before the beginning of each fiscal year, subject to the approval of the office of internal audit in the office of budget and management. At the end of each fiscal year,

the commission shall prepare and submit an annual report to the office of internal audit for the office's review and approval, specifying the internal audit work completed by the end of that fiscal year and reporting on compliance with the annual internal audit plan.

(F) Whenever, in the judgment of the director of budget and management, an amount of net state lottery proceeds is necessary to be applied to the payment of debt service on obligations, all as defined in sections 151.01 and 151.03 of the Revised Code, the director shall transfer that amount directly from the state lottery fund or from the lottery profits education fund to the bond service fund defined in those sections. The provisions of this division are subject to any prior pledges or obligation of those amounts to the payment of bond service charges as defined in division (C) of section 3318.21 of the Revised Code, as referred to in division (B) of this section.

Sec. 3770.07. (A)(1) Except as provided in division (A)(2) of this section, lottery prize awards shall be claimed by the holder of the winning lottery product, or by the executor or administrator, or the trustee of a trust, of the estate of a deceased holder of a winning lottery product, in a manner to be determined by the state lottery commission, within one hundred eighty days after the date on which the prize award was announced if the lottery game is an online game, within one hundred eighty days after the close of the game if the lottery game is an instant game, and within one hundred eighty days after the end of the sporting event or series of sporting events on which the wager was placed if the lottery game is lottery sports gaming.

Any lottery prize award with a value that meets or exceeds the reportable winnings amounts set by 26 U.S.C. 6041, or a subsequent analogous section of the Internal Revenue Code, shall not be claimed by or paid to any person, as defined in section 1.59 of the Revised Code or as defined by rule or order of the state lottery commission, until the name, address, and social security number of each beneficial owner of the prize award are documented for the commission. Except when a beneficial owner otherwise consents in writing, in the case of a claim for a lottery prize award made by one or more beneficial owners using a trust, the name, address, and social security number of each such beneficial owner in the commission's records as a result of such a disclosure are confidential and shall not be subject to inspection or copying under section 149.43 of the Revised Code as a public record.

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

(2) An eligible person serving on active military duty in any branch of the United States armed forces during a war or national emergency declared in accordance with federal law may submit a delayed claim for a lottery prize award. The eligible person shall do so by notifying the state lottery commission about the claim not later than the three hundred sixtieth day after the applicable deadline specified under division (A)(1) of this section.

(3) If no valid claim to a lottery prize award is made within the prescribed period, the prize money, the cost of goods

and services awarded as prizes, or, if goods or services awarded as prizes are resold by the state lottery commission, the proceeds from their sale shall be returned to the state lottery fund and distributed in accordance with section 3770.06 of the Revised Code.

(4) The state lottery commission may share with other governmental agencies the name, address, and social security number of a beneficial owner disclosed to the commission under division (A)(1) of this section, as authorized under sections 3770.071 and 3770.073 of the Revised Code. Any shared information as disclosed pursuant to those sections that is made confidential by division (A)(1) of this section remains confidential and shall not be subject to inspection or copying under section 149.43 of the Revised Code as a public record unless the applicable beneficial owner otherwise provides written consent.

(5) As used in this division:

(a) "Eligible person" means a person who is entitled to a lottery prize award and who falls into either of the following categories:

(i) While on active military duty in this state, the person, as the result of a war or national emergency declared in accordance with federal law, is transferred out of this state before the applicable deadline specified under division (A)(1) of this section.

(ii) While serving in the reserve forces in this state, the person, as the result of a war or national emergency declared in accordance with federal law, is placed on active military duty and is transferred out of this state before the

applicable deadline specified under division (A)(1) of this section.

(b) "Active military duty" means that a person is covered by the "Servicemembers Civil Relief Act," 117 Stat. 2835 (2003), 50 U.S.C. 501 et seq., as amended, or the "Uniformed Services Employment and Reemployment Rights Act of 1994," 108 Stat. 3149, 38 U.S.C. 4301 et seq., as amended.

(c) "Each beneficial owner" means the ultimate recipient or, if there is more than one, each ultimate recipient of a lottery prize award.

~~(B) If~~ (B)(1) Except as otherwise provided in division (B)(2) of this section, if a prize winner~~, as defined in section 3770.10 of the Revised Code,~~ is under eighteen years of age ~~or, in the case of lottery sports gaming, under twenty-one years of age,~~ or is under some other legal disability, and the prize money or the cost of goods or services awarded as a prize exceeds one thousand dollars, the director of the state lottery commission shall order that payment be made to the order of the legal guardian of that prize winner. If the amount of the prize money or the cost of goods or services awarded as a prize is one thousand dollars or less, the director may order that payment be made to the order of the adult member, if any, of that prize winner's family legally responsible for the care of that prize winner.

(2) If an individual under twenty-one years of age participates in video lottery terminal gaming or lottery sports gaming, the play or wager is void and the individual forfeits all credits or amounts wagered.

(C) No right of any prize winner~~, as defined in section~~

~~3770.10 of the Revised Code,~~ to a prize award shall be the subject of a security interest or used as collateral.

(D)(1) No right of any prize winner~~, as defined in section 3770.10 of the Revised Code,~~ to a prize award shall be assignable except as follows: when the payment is to be made to the executor or administrator, or the trustee of a trust, of the estate of a prize winner; when the award of a prize is disputed, any person may be awarded a prize award to which another has claimed title, pursuant to the order of a court of competent jurisdiction; when a person is awarded a prize award to which another has claimed title, pursuant to the order of a federal bankruptcy court under Title 11 of the United States Code; or as provided in sections ~~3770.10~~ 3770.11 to 3770.14 of the Revised Code.

(2)(a) No right of any prize winner~~, as defined in section 3770.10 of the Revised Code,~~ to a prize award with a remaining unpaid balance of less than one hundred thousand dollars shall be subject to garnishment, attachment, execution, withholding, or deduction except as provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code or when the director is to make a payment pursuant to section 3770.071 or 3770.073 of the Revised Code.

(b) No right of any prize winner~~, as defined in section 3770.10 of the Revised Code,~~ to a prize award with an unpaid balance of one hundred thousand dollars or more shall be subject to garnishment, attachment, execution, withholding, or deduction except as follows: as provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code; when the director is to make a payment pursuant to section 3770.071 or 3770.073 of the Revised Code; or pursuant to the order of a

court of competent jurisdiction located in this state in a proceeding in which the state lottery commission is a named party, in which case the garnishment, attachment, execution, withholding, or deduction pursuant to the order shall be subordinate to any payments to be made pursuant to section 3119.80, 3119.81, 3121.02, 3121.03, 3123.06, 3770.071, or 3770.073 of the Revised Code.

(3) The state lottery commission may adopt and amend rules pursuant to Chapter 119. of the Revised Code as necessary to implement division (D) of this section, to provide for payments from prize awards subject to garnishment, attachment, execution, withholding, or deduction, and to comply with any applicable requirements of federal law.

(4) Upon making payments from a prize award as required by division (D) of this section, the director and the state lottery commission are discharged from all further liability for those payments, whether they are made to an executor, administrator, trustee, judgment creditor, or another person, or to the prize winner~~, as defined in section 3770.10 of the Revised Code~~.

(5) The state lottery commission shall adopt rules pursuant to section 3770.03 of the Revised Code concerning the payment of prize awards upon the death of a prize winner~~, as defined in section 3770.10 of the Revised Code~~. Upon the death of a prize winner, the remainder of the prize winner's prize award, to the extent it is not subject to a transfer agreement under sections ~~3770.10~~ 3770.11 to 3770.14 of the Revised Code, may be paid to the executor, administrator, or trustee in the form of a discounted lump sum cash settlement.

(E) No lottery prize award shall be awarded to or for any officer or employee of the state lottery commission, any officer

or employee of the auditor of state actively auditing, coordinating, or observing commission drawings, or any blood relative or spouse of such an officer or employee of the commission or auditor of state living as a member of the officer's or employee's household, nor shall any such officer, employee, blood relative, or spouse attempt to claim a lottery prize award.

(F) The director may prohibit vendors to the state lottery commission and their employees from being awarded a lottery prize award.

(G) Upon the payment of prize awards pursuant to a provision of this section, other than a provision of division (D) of this section, the director and the state lottery commission are discharged from all further liability for their payment. Installment payments of lottery prize awards shall be paid by official check or warrant, and they shall be sent by mail delivery to the prize winner's address within the United States or by electronic funds transfer to an established bank account located within the United States, or the prize winner may pick them up at an office of the commission.

Sec. 3770.071. (A) As used in this section, "lottery prize award" does not include a prize award from a video lottery terminal and does not include winnings from lottery sports gaming from which, under the rules of the commission, the type C sports gaming proprietor is responsible for withholding amounts.

(B) If the amount of the prize money or the cost of goods or services awarded as a lottery prize award meets or exceeds the reportable winnings amounts set by 26 U.S.C. 6041, or a subsequent analogous section of the Internal Revenue Code, the director of the state lottery commission or the director's

designee shall consult the data match program established under section 3123.89 of the Revised Code to determine whether the person is subject to a final and enforceable determination of default made under sections 3123.01 to 3123.07 of the Revised Code. If so, the director or the director's designee shall withhold an amount from the prize award in accordance with section 3123.89 of the Revised Code.

Sec. 3770.072. (A) As used in division (B) of this section, ~~"prize winner," "transferee," and "transferor" have the same meanings as in section 3770.10 of the Revised Code~~ "lottery prize award" does not include a prize award from a video lottery terminal and does not include winnings from lottery sports gaming from which, under the rules of the commission, the type C sports gaming proprietor is responsible for withholding amounts.

(B) The state lottery commission shall deduct amounts from lottery prize awards and file returns in accordance with ~~sections~~ section 5747.062 ~~and 5747.064~~ of the Revised Code and any rules adopted by the tax commissioner pursuant to ~~those sections~~ that section. This division also applies to lottery prize award payments the commission remits to transferees.

(C)(1)(a) Each transferee shall deduct and withhold from each gross amount payable to each prize winner four per cent of the gross amount payable prior to making any other reduction required by this chapter.

(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 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 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 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.

(3) An employee of a corporation, limited liability company, or business trust having control or supervision of or

charged with the responsibility of filing the report and making the payment required by division (C) of this section and section 5747.062 of the Revised Code, or an officer, member, manager, or trustee of a corporation, limited liability company, or business trust who is responsible for the execution of the corporation's, limited liability company's, or business trust's fiscal responsibilities, shall be personally liable for failure to file the report or pay the amount due as required by division (C) of this section and section 5747.062 of the Revised Code. The dissolution, termination, or bankruptcy of a corporation, limited liability company, or business trust does not discharge a responsible officer's, member's, manager's, employee's, or trustee's liability for a failure of the corporation, limited liability company, or business trust to file returns or pay the amount due.

(4)(a) The tax commissioner may make an assessment against any person listed in division (C)(1) or (3) of this section for any deficiency for any period. Section 5747.13 of the Revised Code shall apply with respect to issuing assessments, filing petitions for reassessments, conducting hearings, issuing final determinations, making the assessment final, and filing the entry that makes the assessment final. Section 5717.02 of the Revised Code shall apply to appeals of the commissioner's final decision in connection with assessments issued pursuant to division (C)(4) of this section.

(b) An assessment issued against any person listed in division (C)(1) or (3) of this section shall not be considered an election of remedies or a bar to an assessment against any other person for the failure to comply with division (C)(1) of this section. No assessment shall be issued against any person who is so listed if the amount required to be withheld has been

paid by another.

(c) The assessment shall include interest at the rate per annum prescribed by section 5703.47 of the Revised Code on liability from the time the payment is due until the date of assessment. Interest shall continue to accrue from the date of assessment until the date the assessment is paid in full. Any interest accruing subsequent to the date of the issuance of the assessment shall be considered to be an additional deficiency for which the tax commissioner may issue subsequent assessments. The initial assessment and any subsequent assessments may include a penalty in an amount not to exceed twice the applicable interest charged under this division.

Sec. 3770.073. (A) As used in this section, "lottery prize award" does not include a prize award from a video lottery terminal and does not include winnings from lottery sports gaming from which, under the rules of the commission, the type C sports gaming proprietor is responsible for withholding amounts.

(B) The attorney general shall provide the state lottery commission or its designee with access to the real time data match program described in section 131.02 of the Revised Code for the purpose of identifying prize winners who owe amounts to the state or a political subdivision.

(C) If a person is entitled to a lottery prize award and is indebted to the state for the payment of any tax, workers' compensation premium, unemployment contribution, payment in lieu of unemployment contribution, or certified claim under section 131.02 or 131.021 of the Revised Code, ~~or~~ is indebted to a political subdivision that has a certified claim under section 131.02 of the Revised Code, owes lottery sales receipts held in trust on behalf of the state lottery commission as described in

division (H)(4) of section 3770.05 of the Revised Code, or owes any charge, penalty, or interest arising from ~~these~~ any of those debts and if the amount of the prize money or the cost of goods or services awarded as a lottery prize award meets or exceeds the reportable winnings amount set by 26 U.S.C. 6041, the director of the state lottery commission, or the director's designee, shall do either of the following:

(1) If the prize award will be paid in a lump sum, deduct from the prize award and pay to the attorney general an amount in satisfaction of the debt and pay any remainder to that person. If the amount of the prize award is less than the amount of the debt, the entire amount of the prize award shall be deducted and paid in partial satisfaction of the debt.

(2) If the prize award will be paid in annual installments, on the date the initial installment payment is due, deduct from that installment and pay to the attorney general an amount in satisfaction of the debt and, if necessary to collect the full amount of the debt, do the same for any subsequent annual installments, at the time the installments become due and owing to the person, until the debt is fully satisfied.

~~(B)~~ (D) If a person entitled to a lottery prize award owes more than one debt, any debt owed to the state shall be satisfied first, subject to both section 5739.33 and division (G) of section 5747.07 of the Revised Code having first priority, and subject to division ~~(C)~~(E) of this section.

~~(C)~~ (E) Any debt owed under section 3770.071 of the Revised Code shall be satisfied with first priority over debts owed under this section.

~~(D)~~ (F) Except as provided in section 131.021 of the Revised Code, this section applies only to debts that have become final.

Sec. 3770.08. (A) No person shall sell a lottery ticket at a price greater than that fixed by rule of the state lottery commission.

(B) No person other than a licensed lottery sales agent shall sell lottery tickets, but nothing in this section shall be construed to prevent any person from giving lottery tickets to another as a gift. A transfer of lottery tickets by any person which is made in connection with a marketing, promotional, or advertising program shall be deemed to be a gift for the purposes of this chapter.

~~(C) No~~ (C)(1) Except as otherwise provided in divisions (C)(2) and (3) of this section, no person shall sell a lottery ticket to any person under eighteen years of age, and no person under eighteen years of age shall attempt to purchase a lottery ticket.

(2) No person shall allow an individual under twenty-one years of age to participate in video lottery terminal gaming.

(3) No person shall allow an individual under twenty-one years of age to participate in lottery sports gaming, as prohibited under section 3775.99 of the Revised Code.

(D) No person, directly or indirectly, on behalf of self, or another, nor any organization, shall invite, solicit, demand, offer, or accept any payment, contribution, favor, or other consideration to influence the award, renewal, or retention of a lottery sales agent license.

(E) Except as otherwise provided in this division, no

person shall sell lottery tickets on any fairgrounds during any annual exhibition conducted in accordance with Chapter 991. or 1711. of the Revised Code. "Fairgrounds" includes any land or property under the control or management of any agricultural society or of the Ohio expositions commission. This division does not apply to the sale of lottery tickets by the commission at the state fairground during the state fair.

Sec. 3770.13. (A) A transferee shall file an application under sections ~~3770.10~~ 3770.11 to 3770.14 of the Revised Code for the approval in advance of a transfer of a lottery prize award in a court of competent jurisdiction.

(B) The following procedures shall apply to an application for the approval in advance by a court of a transfer of a lottery prize award under division (A) of this section:

(1) Upon the filing of the application, the court shall set a date, time, and place for a hearing on the application and shall notify the transferee and transferor of the date, time, and place of the hearing.

(2) Not less than thirty days prior to the date set by the court for the hearing on an application filed pursuant to this section, the transferee shall file with the court and shall serve on the state lottery commission, in the manner prescribed in the Rules of Civil Procedure for the service of process, a notice of the proposed transfer and the application for its approval in advance. The notice shall include all of the following:

(a) A copy of the application;

(b) A copy of the transfer agreement or, if the transferor is not a prize winner, a redacted copy of the transfer agreement

that discloses sufficient information to allow the commission and the court to determine the validity of the transfer agreement;

(c) If the transferor is a prize winner, a copy of the disclosure statement provided by the transferee pursuant to section 3770.11 of the Revised Code and signed by the prize winner pursuant to division (A) of section 3770.12 of the Revised Code;

(d) The amounts and due dates of the lottery prize award payments that will be transferred under the transfer agreement;

(e) Notification of the date, time, and place of the hearing on the application;

(f) The complete name, address, and taxpayer identification number of the transferee.

(3) The commission shall not be required to appear in or be named as a party to a hearing on the application, but may intervene as of right in the proceeding.

(4) At the conclusion of the hearing on an application under this section, the court may grant or deny the approval of the transfer. The court shall enter its order accordingly. If the court grants the approval of the transfer, it shall include in its order all of the express findings specified in section 3770.12 of the Revised Code. If the court denies the approval of the transfer, it shall include in its order the reasons for the denial.

(5) An order of the court made under division (B)(4) of this section is a final and appealable order.

Sec. 3770.21. (A) ~~As used in this section:~~

~~(1) "Video lottery terminal" means any electronic device approved by the state lottery commission that provides immediate prize determinations for participants on an electronic display that is located at a facility owned by a holder of a permit as defined in rule 3769-1-05 of the Administrative Code.~~

~~(2) "Video lottery terminal promotional gaming credit" means a video lottery terminal game credit, discount, or other similar item issued to a patron to enable the placement of, or increase in, a wager at a video lottery terminal.~~

~~(3) "Video lottery terminal income" means credits played, minus approved video lottery terminal promotional gaming credits, minus video lottery prize awards.~~

~~(B) The state lottery commission shall include, in conjunction with the state racing commission, in any rules adopted concerning video lottery terminals, the level of minimum investments that must be made by video lottery terminal sales agents in the buildings, fixtures, equipment, facilities-related preparation, and grounds at the facilities, including temporary facilities, in which the terminals will be located, along with any standards and timetables for such investments.~~

~~(C)~~ The state lottery commission shall offer lottery gaming on video lottery terminals at tracks as part of the statewide lottery, in accordance with this chapter. The state lottery commission may adopt rules under Chapter 119. of the Revised Code, in consultation with the Ohio casino control commission, to implement this section, so long as those rules are not in conflict with the rules of the Ohio casino control commission.

(B) The Ohio casino control commission shall license each

permit holder who meets the eligibility and suitability requirements of this chapter, Chapters 3769. and 3772. of the Revised Code, and the rules of the Ohio casino control commission as a video lottery sales agent to operate video lottery terminals at the permit holder's track on behalf of the state lottery commission under the terms of a contract between the video lottery sales agent and the state lottery commission.

(C)(1) The Ohio casino control commission has jurisdiction over all persons operating, or participating in the operation of, video lottery terminals, including the authority to license, regulate, investigate, and penalize those persons in a manner that is consistent with the commission's authority with respect to casino gaming, provided that the state lottery commission is not required to be licensed by the Ohio casino control commission to operate video lottery terminals.

(2) An individual described in division (A) of section 3772.13 of the Revised Code shall hold a valid key gaming employee license issued by the commission under that section at all times. An individual whose duties with respect to video lottery terminal gaming are as described in division (A) of section 3772.131 of the Revised Code shall hold a valid gaming employee license issued by the commission under that section at all times. However, a member or employee of the state lottery commission is not required to have a key gaming employee or gaming employee license.

(3) In all cases in which this chapter requires or allows the Ohio casino control commission to adopt rules concerning video lottery terminals, the commission shall adopt those rules under Chapter 119. of the Revised Code.

(D) A ~~licensed~~ video lottery sales agent may provide video

lottery terminal promotional gaming credits or bonuses to patrons for video lottery terminal gaming, subject to the requirements of section 3772.231 of the Revised Code and the rules of the Ohio casino control commission. Video lottery terminal promotional gaming credits shall be subject to approval by the director of the state lottery commission.

~~(D)~~ (E) Video lottery ~~terminal~~ sales agents shall develop internal guidelines and controls for the purpose of giving minority business enterprises the ability to compete for the awarding of contracts to provide goods and services to those sales agents. As used in this division, "minority business enterprise" has the meaning defined in section 122.71 of the Revised Code.

~~(E)~~ (F) No license or excise tax or fee not in effect on the effective date of this section shall be assessed upon or collected from a video lottery ~~terminal~~ sales agent by any county, township, municipal corporation, school district, or other political subdivision of the state that has authority to assess or collect a tax or fee by reason of the video lottery terminal related conduct authorized by section 3770.03 of the Revised Code. This division does not prohibit the imposition of taxes under Chapter 718. or 3769. of the Revised Code.

~~(F)(1)~~ (G)(1) Any action asserting that this section or section 3770.03 of the Revised Code or any ~~portion~~ provision of those sections or any rule adopted under those sections violates any provision of the Ohio Constitution 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 Am. Sub. H.B. 386 of the 129th general assembly or within ninety days after the effective day of any rule, as applicable~~

applicable provision or rule.

(2) Any claim asserting that any action taken by the governor ~~or~~ , the state lottery commission, or the Ohio casino control commission pursuant to those sections violates any provision of the Ohio Constitution or any provision of the Revised Code shall be brought in the court of common pleas of Franklin county within sixty days after the action is taken.

(3) Divisions ~~(F)(1)~~ (G)(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.

~~(G)~~ (H) The court of common pleas of Franklin county shall give any claim filed under division ~~(F)(1)~~ (G)(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 pursuant to division ~~(F)~~ (G) 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 appeal expeditiously.

Sec. 3770.211. (A) The Ohio casino control commission shall adopt rules that include all of the following:

(1) The form and manner of applying for or renewing a video lottery sales agent license, which shall require all of the following:

(a) That the applicant submit a nonrefundable application fee in an amount sufficient to cover the cost of processing the application;

(b) That an applicant not be required to take action to satisfy any requirement for a video lottery sales agent license that is substantially similar to any requirement the applicant previously has satisfied in order to obtain or renew any other license issued by the Ohio casino control commission;

(c) That upon being granted a video lottery sales agent license, the applicant give the state lottery commission a surety bond or dedicated account deposit as described in division (H) of section 3770.05 of the Revised Code;

(d) That a video lottery sales agent license issued on or after the effective date of this section be valid for a term of five years.

(2) Procedures for a video lottery sales agent to operate video lottery terminals;

(3) The types of records video lottery sales agents are to keep;

(4) The manner in which video lottery sales agents must verify that their patrons are at least twenty-one years of age;

(5) Protections for a person participating in video lottery terminal gaming;

(6) Measures to promote responsible video lottery terminal gaming;

(7) Penalties and fines for violating this section or rules adopted under this section;

(8) Restrictions to ensure that video lottery sales agents' advertisements for video lottery terminals meet the requirements of section 3772.41 of the Revised Code;

(9) A requirement that each video lottery sales agent comply with the requirements of the Ohio voluntary exclusion program;

(10) Any other procedure or thing the Ohio casino control commission determines necessary to implement the requirements of sections 3770.21 to 3770.22 or Chapter 3772. of the Revised Code or to ensure the integrity of video lottery terminal gaming.

(C) The Ohio casino control commission shall adopt rules establishing minimum internal control standards for the administration of video lottery sales agents' operations, video lottery terminals, systems, or other items used by video lottery sales agents, and the maintenance of video lottery sales agents' financial records and other required records. The commission may approve minimum internal control standards proposed by video lottery sales agents.

(D) The commission shall approve all video lottery terminals in accordance with section 3772.312 of the Revised Code and shall license all video lottery technology providers.

(E)(1) The commission shall determine a permit holder's eligibility to hold or renew a video lottery sales agent license under this chapter, shall issue all video lottery sales agent licenses, and shall maintain a record of all video lottery sales agent licenses issued under this chapter.

(2) The commission shall conduct a complete investigation of each applicant for a video lottery sales agent license to determine whether the applicant meets the requirements of this chapter and of the commission's rules each time the applicant applies for an initial or renewed video lottery sales agent license. The commission may initiate an additional licensing

investigation or adjudication or reopen an existing licensing investigation or adjudication at any time.

(F) The Ohio casino control commission shall levy and collect all fees, fines, and surcharges the Ohio casino control commission imposes under sections 3770.21 to 3770.22 and Chapter 3772. of the Revised Code and rules adopted under those sections and that chapter and shall deposit all money collected in the casino control commission fund created under section 5753.03 of the Revised Code.

(G)(1) The Ohio casino control commission, in an adjudication conducted under Chapter 119. of the Revised Code and in accordance with section 3772.04 of the Revised Code, may do any of the following:

(a) Penalize or fine any video lottery sales agent, applicant for a video lottery sales agent license, or other person who is subject to the commission's jurisdiction under sections 3770.21 to 3770.22 of the Revised Code;

(b) Limit, condition, restrict, suspend, revoke, deny, or refuse to renew any video lottery sales agent license.

(2) The executive director of the Ohio casino control commission may issue an emergency order with respect to video lottery terminal gaming under division (G) of section 3772.04 of the Revised Code.

(H)(1) The Ohio casino control commission shall monitor all video lottery terminal gaming conducted in this state, or shall contract with an independent integrity monitoring provider for that purpose, in order to identify any unusual activities or patterns that may indicate a need for further investigation. The Ohio casino control commission shall require each video lottery

sales agent to participate in the monitoring system as part of the minimum internal control standards described in division (C) of this section.

(2) The information in the monitoring system described in division (H)(1) of this section is not a public record. The commission may disclose the information in the monitoring system only as necessary for investigative or law enforcement purposes or pursuant to a court order.

(I)(1) The executive director of the Ohio casino control commission and the director of the state lottery commission promptly shall report to the Ohio casino control commission any facts or circumstances related to the operation of video lottery terminals that constitute a violation of state or federal law.

(2) The Ohio casino control commission and the state lottery commission shall cooperate with any investigation conducted by a law enforcement agency, including by providing, or facilitating the provision of, video lottery terminal gaming information and audio or video files related to video lottery terminal gaming.

(3) A sheriff, chief of police, or prosecuting attorney shall furnish to the Ohio casino control commission, on forms prescribed by the commission, any information obtained concerning any apparent violation of this chapter or rules adopted under this chapter. If the information is considered a confidential law enforcement investigatory record under section 149.43 of the Revised Code, the Ohio casino control commission shall not disclose the information to the public.

(J)(1) The attorney general has a civil cause of action to restrain any violation of sections 3770.21 to 3770.22 or of

rules adopted under those sections. Upon the request of the Ohio casino control commission or its executive director, the attorney general shall commence and prosecute such an action to completion. The court shall give priority to such an action over all other civil actions.

(2) An action brought under division (J)(1) of this section does not preclude an administrative or criminal proceeding on the same facts.

(3) The attorney general may enter into an agreement with a state or local law enforcement agency to carry out the duties described in division (J)(1) of this section.

Sec. 3770.212. (A) The Ohio casino control commission shall not grant a video lottery sales agent license until it has determined that each person who has control of the applicant has met the qualifications for the license. All of the following persons are considered to have control of an applicant:

(1) Each person associated with a corporate applicant, including any corporate holding company, parent company, or subsidiary company of the applicant, that has the ability to control the activities of the corporate applicant or elect a majority of the board of directors of that corporation, other than any bank or other licensed lending institution that holds a mortgage or other lien acquired in the ordinary course of business;

(2) Each person associated with a noncorporate applicant that directly or indirectly holds a beneficial or proprietary interest in the applicant's business operation or that the commission otherwise determines has the ability to control the applicant;

(3) Key personnel of an applicant, including any executive, employee, or agency, having the power to exercise significant influence over decisions concerning any part of the applicant's business operation.

(B) A video lottery sales agent shall display its license conspicuously in its place of business or have the license available for inspection by any agent of the Ohio casino control commission, the state lottery commission, or any law enforcement agency.

(C) A video lottery sales agent shall give the Ohio casino control commission written notice within ten days of any material change to any information provided in the video lottery sales agent's application for a license or renewal, as required under section 3772.113 of the Revised Code.

(D) An applicant for a video lottery sales agent license shall establish the applicant's suitability for the license by clear and convincing evidence.

(E) The Ohio casino control commission shall not grant a video lottery sales agent license to an applicant if evidence satisfactory to the commission exists that the applicant has done any of the following:

(1) Knowingly made a false statement to the Ohio casino control commission or the state lottery commission;

(2) Been suspended from operating a gambling game, gaming device, or gaming operation, or had a license revoked by any governmental unit of a national, state, or local body exercising governmental functions;

(3) Been convicted of a disqualifying offense, as defined in section 3772.07 of the Revised Code;

(4) Been directly involved in or employed by any offshore wagering market that illegally serviced the United States or otherwise accepted illegal wagers from individuals located in the United States on or after April 16, 2015.

(F) The Ohio casino control commission may deny a video lottery sales agent license to any applicant, reprimand any video lottery sales agent, or suspend or revoke a video lottery sales agent license if any of the following are true:

(1) The applicant or licensee has not demonstrated to the commission's satisfaction financial responsibility sufficient to adequately meet the requirements of the enterprise.

(2) The applicant or licensee is not the true owner of the business or is not the sole owner and has not disclosed the existence or identity of other persons who have an ownership interest in the business.

(3) The applicant or licensee is a corporation that sells more than five per cent of the corporation's voting stock, or more than five per cent of the voting stock of a corporation that controls the corporation, or sells the corporation's assets, other than those bought and sold in the ordinary course of business, or any interest in the assets, to any person who, under division (A) of this section, must meet the qualifications of a video lottery sales agent, and who has not already been determined by the commission to have met the applicable qualifications.

(G) The Ohio casino control commission shall revoke a video lottery sales agent license if the video lottery sales agent ceases to be a permit holder.

Sec. 3770.213. (A) A video lottery sales agent shall do

all of the following:

(1) Operate video lottery terminals in a manner that does not pose a threat to the public health, safety, or welfare of the citizens of this state;

(2) Keep current in all payments and obligations to the Ohio casino control commission and the state lottery commission;

(3) Provide a secure location for the placement, operation, and use of video lottery terminals;

(4) Prevent any person from tampering with or interfering with the operation of video lottery terminals;

(5) Ensure that video lottery terminal gaming is conducted within the sight and control of designated employees of the video lottery sales agent and that video lottery terminal gaming is conducted under continuous observation by security equipment in conformity with the specifications and requirements of the Ohio casino control commission;

(6) Ensure that video lottery terminal gaming occurs only in the locations and manner approved by the Ohio casino control commission and the state lottery commission;

(7) Maintain sufficient funds and other supplies to conduct video lottery terminal gaming at all times;

(8) Maintain daily records showing the video lottery sales agent's video lottery terminal receipts and timely file with the Ohio casino control commission and the state lottery commission any additional reports required by rule or by other provisions of the Revised Code;

(9) Comply with all applicable requirements of Chapter 3772. of the Revised Code.

(B) A video lottery sales agent is not liable under the laws of this state to any party, including a patron, for disclosing information as required under this chapter or for refusing to disclose information that is not required by law to be disclosed.

Sec. 3770.214. (A) No individual who is on the Ohio casino control commission's track exclusion list created under section 3772.031 of the Revised Code shall enter a track operated by a video lottery sales agent or the grounds of such a track or participate in the play or operation of video lottery terminal gaming in this state. A video lottery sales agent shall employ commercially reasonable methods to prevent an individual who is on the commission's track exclusion list from engaging in video lottery terminal gaming conducted by the video lottery sales agent.

(B)(1) A video lottery sales agent may exclude any individual from entering a track, or the grounds of a track, that is under the control of the video lottery sales agent and may exclude any individual from participating in the play or operation of video lottery terminal gaming conducted by the video lottery sales agent. The video lottery sales agent shall keep a list of all excluded individuals. No individual who is on a video lottery sales agent's exclusion list shall enter a track, or the grounds of a track, that is under the control of the video lottery sales agent or participate in the play or operation of video lottery terminal gaming conducted by the video lottery sales agent under this chapter.

(2) If a video lottery sales agent excludes an individual because the video lottery sales agent determines that the individual engaged or attempted to engage in any gaming related

activity that is prohibited under the laws of this state or rules of the Ohio casino control commission or the state lottery commission, the video lottery sales agent shall report that fact to the Ohio casino control commission and the state lottery commission.

(C)(1) A video lottery sales agent shall employ commercially reasonable methods to prevent any person who is participating in the Ohio voluntary exclusion program from engaging in video lottery terminal gaming conducted by the video lottery sales agent.

(2) Absent gross negligence, all of the following persons are immune from any type of civil liability on the basis that a person who is participating in the Ohio voluntary exclusion program enters or accesses a track or participates in video lottery terminal gaming conducted under this chapter:

(a) The Ohio casino control commission, the state lottery commission, or any other agency of this state and its agents or employees;

(b) A video lottery sales agent and its agents or employees.

(D) No video lottery sales agent, no director, officer, agent, or employee of a video lottery sales agent, no other person who has a financial interest in a video lottery sales agent, and no person living in the same household as any of those persons, shall engage in any video lottery terminal gaming conducted by the video lottery sales agent, other than as part of operating video lottery terminals or as part of the employee's employment. A video lottery sales agent shall employ commercially reasonable methods to prevent those persons, and

any other person who has access to confidential information held by the video lottery sales agent, from engaging in video lottery terminal gaming conducted by the video lottery sales agent.

(E) No member or employee of the Ohio casino control commission or the state lottery commission shall knowingly participate in video lottery terminal gaming in this state. A video lottery sales agent shall employ commercially reasonable methods to prevent such a person from engaging in video lottery terminal gaming conducted by the video lottery sales agent.

Sec. 3770.24. (A) The state lottery commission shall operate lottery sports gaming as part of the statewide lottery in accordance with this section and with Chapter 3775. of the Revised Code. The state lottery commission may adopt rules under Chapter 119. of the Revised Code, in consultation with the Ohio casino control commission, to implement sections ~~3770.23 to~~ 3770.24 and 3770.25 of the Revised Code, so long as those rules are not in conflict with the rules of the Ohio casino control commission.

(B)(1) Each type C sports gaming proprietor shall contract with the state lottery commission to operate lottery sports gaming on behalf of the state lottery commission in exchange for a portion of the state's proceeds from lottery sports gaming.

(2) All provisions of Chapter 3775. of the Revised Code that apply to type C sports gaming proprietors and type C sports gaming hosts apply to those persons when they operate or offer lottery sports gaming.

(3) A type C sports gaming proprietor may adapt any existing self-service or clerk-operated lottery terminals owned or operated by the sports gaming proprietor or the state lottery

commission also to serve as lottery sports gaming terminals, subject to the rules of the Ohio casino control commission and the state lottery commission.

Sec. 3770.25. (A) The state lottery commission shall offer lottery sports gaming only at type C sports gaming hosts' facilities on self-service or clerk-operated terminals, and only to individuals who are at least twenty-one years of age and who are physically present on the premises of the facility.

(B) All of the following apply concerning lottery sports gaming:

(1) If a type C sports gaming proprietor intends to install more than two terminals in any type C sports gaming host's facility, the type C sports gaming proprietor shall notify the Ohio casino control commission of that fact not later than seven days before installing the additional terminals. The commission may disallow the installation of more than two terminals in the facility, in accordance with the commission's rules.

(2) The self-service terminal or the clerk, as applicable, shall verify that the lottery sports gaming participant is at least twenty-one years of age.

(3) ~~A type C sports gaming proprietor may offer only the following types of wagers on sporting events, as approved by the Ohio casino control commission:~~

~~(a) Spread wagers;~~

~~(b) Over-under wagers;~~

~~(c) Moneyline wagers;~~

~~(d) Parlay wagers that are based on not more than four~~

~~component wagers.~~

~~(4)~~ A self-service terminal or clerk shall accept wagers only by cash, credit card, debit card, or electronic payment account. As used in this section, "electronic payment account" means an account maintained with a third party for purposes of making electronic payments, such as paypal, google pay, or apple pay, that is intended for general use and not only for sports gaming purposes.

~~(5)~~ (4) A self-service terminal or clerk shall not accept wagers aggregating more than seven hundred dollars in a calendar week from any one participant.

~~(6)~~ (5) The rules of the Ohio casino control commission and the state lottery commission concerning lottery sports gaming shall apply identically in all applicable respects to lottery sports gaming offered on a self-service terminal and to lottery sports gaming offered on a clerk-operated terminal.

(C)(1) A participant whose winnings from lottery sports gaming are of an amount that ~~is not subject to withholding under section 718.031, 3770.071, 3770.072, or 3770.073 of the Revised Code~~ does not meet or exceed the reportable winnings amount set by 26 U.S.C. 6041 may receive the participant's winnings by any of the following methods:

(a) As a credit to the participant's credit card, debit card, or electronic payment account~~.~~;

(b) In cash from any type C sports gaming host;

(c) By any additional method permitted by the state lottery commission by rule.

(2) A participant whose winnings from lottery sports

gaming are of an amount that ~~is subject to withholding under section 718.031, 3770.071, 3770.072, or 3770.073 of the Revised Code~~ meets or exceeds the reportable winnings amount set by 26 U.S.C. 6041 may receive the participant's winnings in the ~~same~~ manner ~~as any other~~ determined by the state lottery ~~prize award of an amount that is subject to~~ commission, subject to withholding by the sports gaming proprietor under ~~those~~ section 3772.37 of the Revised Code or subject to withholding by the state lottery commission under sections 3770.071, 3770.072, and 3770.073 of the Revised Code, as determined by the commission by rule.

Sec. 3770.26. (A) The state lottery commission may conduct internet lottery gaming only in accordance with this section. The commission shall adopt rules under Chapter 119. of the Revised Code to implement internet lottery gaming.

(B) Internet lottery gaming does not include any of the following:

(1) Electronic facsimiles of any of the following games:

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

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

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

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

(e) Rule 3770:1-9-53 ("Classic Lotto") of the Administrative Code.

(2) Electronic facsimiles of any game of chance, as defined in section 2915.01 of the Revised Code;

(3) Charitable gaming authorized under Chapter 3768. of the Revised Code;

(4) Wagering on horse racing;

(5) Internet gambling authorized under Chapter 3771. of the Revised Code;

(6) Casino gaming as authorized in Section 6(C)(4) of Article XV, Ohio Constitution and Chapter 3772. of the Revised Code;

(7) Fantasy contests authorized under Chapter 3774. of the Revised Code;

(8) Sports gaming authorized under Chapter 3775. of the Revised Code, including lottery sports gaming;

(9) Sweepstakes terminal devices or skill-based amusement machines authorized under Chapter 3777. of the Revised Code;

(10) Any type of game that represents or simulates a casino game, as defined in section 3772.01 of the Revised Code, or video lottery terminal game, that features the ability to reveal all of the symbols in the game through a single action, such as by activating a "reveal all" game control or operation.

(C) For one year following the effective date of this section, internet lottery gaming does not include statewide joint lottery games.

(D) At the end of each calendar quarter, the commission shall calculate the amount that is equal to three and one-half per cent of the state's internet lottery gaming sales in that

calendar quarter. The commission shall distribute an equal share of that amount to each lottery sales agent not later than thirty days after the end of the calendar quarter.

Sec. 3770.99. (A) Whoever is prohibited from claiming a lottery prize award under division (E) of section 3770.07 of the Revised Code and attempts to claim or is paid a lottery prize award is guilty of a minor misdemeanor, and shall provide restitution to the state lottery commission of any moneys erroneously paid as a lottery prize award to that person.

(B) Whoever violates section 3770.08 of the Revised Code is guilty of a misdemeanor of the third degree.

(C) Whoever knowingly does any of the following commits a misdemeanor of the first degree on the first offense and a felony of the fifth degree on a subsequent offense:

(1) Makes a false statement on an application submitted under sections 3770.21 to 3770.22 of the Revised Code;

(2) Permits an individual under twenty-one years of age to participate in video lottery terminal gaming;

(3) Participates in video lottery terminal gaming in violation of division (D) of section 3770.214 of the Revised Code, other than as part of operating video lottery terminal gaming or as part of the employee's employment.

(D) Whoever knowingly does any of the following commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense. If the person is a video lottery sales agent, the Ohio casino control commission shall revoke the person's video lottery sales agent license after the first offense.

(1) Manufactures, sells, or distributes any device that is intended by that person to be used to violate any provision of sections 3770.21 to 3770.22 of the Revised Code;

(2) Claims, collects, or takes anything of value from a video lottery sales agent with intent to defraud or attempts to do so without having legitimately won the amount;

(3) Participates in video lottery terminal gaming using counterfeit currency or other counterfeit form of credit approved for video lottery terminal gaming;

(4) Possesses any device intended to be used to violate any provision of sections 3770.21 to 3770.22 or Chapter 3772. of the Revised Code or any rule adopted under those sections, or any materials used to manufacture such a device. This division does not apply to a video lottery sales agent or to an agent or employee of a video lottery sales agent who is acting in furtherance of the video lottery sales agent's interest.

(5) Operates video lottery terminal gaming in a manner other than the manner required under sections 3770.21 to 3770.22 and Chapter 3772. of the Revised Code. Premises or any internet web site used or occupied in violation of this division constitute a nuisance subject to abatement under Chapter 3767. of the Revised Code.

(E) Whoever knowingly does any of the following commits a felony of the third degree. If the person is a video lottery sales agent, the commission shall revoke the person's video lottery sales agent license after the first offense. If the person is a public servant or political party official, the person is forever disqualified from holding any public office, employment, or position of trust in this state.

(1) Offers, promises, or gives anything of value or benefit to a person who is connected with a video lottery sales agent, an agent or employee of a video lottery sales agent, or a member, agent, or employee of the Ohio casino control commission or the state lottery commission, under an agreement to influence, or with the intent to influence, the actions of the person to whom the offer, promise, or gift is made in order to affect or attempt to affect the outcome of video lottery terminal gaming or an official action of a member, agent, or employee of the Ohio casino control commission or the state lottery commission;

(2) Solicits, accepts, or receives a promise of anything of value or benefit while the person is connected with a video lottery sales agent, an agent or employee of a video lottery sales agent, or a member, agent, or employee of the Ohio casino control commission or the state lottery commission, 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 video lottery terminal gaming or an official action of a member, agent, or employee of the Ohio casino control commission or the state lottery commission.

(F) Whoever knowingly does any of the following while participating in video lottery terminal gaming or otherwise transacting with a video lottery sales agent as permitted under sections 3770.21 to 3770.22 and Chapter 3772. of the Revised Code commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense:

(1) Causes or attempts to cause the person to fail to file a report required under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the

Revised Code, or to fail to file a report or maintain a record required by an order issued under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508;

(2) Causes or attempts to cause the person to file a report under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, to file a report or to maintain a record required by any order issued under 31 U.S.C. 3126, or to maintain a record required under any regulation prescribed under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508 that contains a material omission or misstatement of fact;

(3) With one or more video lottery sales agents, structures a transaction, is complicit in structuring a transaction, attempts to structure a transaction, or is complicit in an attempt to structure a transaction. As used in this division:

(a) To be "complicit" means to engage in any conduct of a type described in divisions (A)(1) to (4) of section 2923.03 of the Revised Code.

(b) "Structure a transaction" has the same meaning as in section 1315.51 of the Revised Code.

Sec. 3771.01. As used in this chapter:

(A) "Applicant" means a person that applies to the Ohio casino control commission for a license under this chapter.

(B) "Casino operator," "key gaming employee," "gaming employee," and "Ohio voluntary exclusion program" have the same meanings as in section 3772.01 of the Revised Code.

(C) "Commission" means the Ohio casino control commission.

(D) "Internet gambling" means a form of gaming in which a wager on an internet gambling game is made and accepted through an internet gambling system. "Internet gambling" does not include any of the following:

(1) Pari-mutuel wagering on horse racing authorized under Chapter 3769. of the Revised Code, including over the internet;

(2) Lottery games authorized under Chapter 3770. of the Revised Code, including internet lottery gaming, video lottery terminals, and lottery sports gaming;

(3) Casino gaming authorized under division (C) of Section 6 of Article XV, Ohio Constitution and Chapter 3772. of the Revised Code;

(4) Fantasy contests authorized under Chapter 3774. of the Revised Code;

(5) Sports gaming authorized under Chapter 3775. of the Revised Code;

(6) Sweepstakes terminal devices or skill-based amusement machines authorized under Chapter 3777. of the Revised Code.

(E) "Internet gambling equipment" means any of the following that directly relate to or affect, or are used or consumed in, the operation of internet gambling:

(1) Any mechanical, electronic, or other device, mechanism, or equipment;

(2) Any software, application, components, or other goods;

(3) Anything to be installed or used on a patron's personal computer or mobile device.

(F) "Internet gambling game" means a game, event, happening, or other matter used to display the outcome of a wager placed in the course of internet gambling, as authorized by the commission by rule. "Internet gambling game" includes both of the following:

(1) A game involving a virtual representation of spinning reels or wheels, with the outcome of the game being randomly generated by a theoretical random-number-generating computer program;

(2) A game involving a virtual representation of cards, dice, tiles, or other physical equipment that provides a random outcome, with the outcome of the game being determined by that equipment or determined by a theoretical random-number-generating computer program.

(G) "Internet gambling license" means an internet gambling operator, internet gambling management company, or internet gambling supplier license issued by the Ohio casino control commission under this chapter and a key gaming employee or gaming employee license issued by the commission under Chapter 3772. of the Revised Code to an individual whose duties relate to the operation or facilitation of internet gambling under this chapter.

(H) "Internet gambling licensee" means a person who holds a valid internet gambling license.

(I) "Internet gambling operator" means a casino operator or permit holder that holds a valid internet gambling operator license.

(J) "Internet gambling platform" means an online gaming web site or mobile application that is operated by an internet

gambling operator or internet gambling management company to operate or conduct internet gambling in this state.

(K) "Internet gambling receipts" has the same meaning as in section 5753.01 of the Revised Code.

(L) "Internet gambling supplier" means a person or entity that provides internet gambling equipment or related services to an internet gambling operator or internet gambling management company.

(M) "Internet gambling system" means all of the following:

(1) The combination of internet gambling equipment an internet gambling operator or internet gambling management company uses to allow a patron to place, review, or modify a wager, to pay out a winning wager, and to review, manage, and report information related to user accounts, wager placement, or wager outcomes;

(2) Any other internet gambling equipment the commission determines is related to the combination of internet gambling equipment described in division (M)(1) of this section.

(N) "Permit holder" has the same meaning as in section 3769.01 of the Revised Code.

(O) "Promotional gaming credit" means a credit, discount, or other similar item issued to a patron to enable the placement of, or increase in, a wager on an internet gambling game.

(P) "Wager" or "bet" means to risk a sum or money or thing of value on an uncertain occurrence.

Sec. 3771.02. (A) The Ohio casino control commission has jurisdiction over all persons conducting or participating in the conduct of internet gambling authorized by this chapter,

including the authority to license, regulate, investigate, and penalize those persons in a manner that is consistent with the commission's authority with respect to casino gaming. In all cases in which this chapter requires or allows the commission to adopt rules concerning internet gambling, the commission shall adopt those rules under Chapter 119. of the Revised Code.

(B) The commission shall adopt rules that include the following:

(1) Procedures for internet gambling operators to accept wagers on internet games;

(2) The types of internet games to be offered by internet gambling operators;

(3) The manner in which internet gambling operators are to offer approved internet gambling games;

(4) The type of records internet gambling operators are to keep;

(5) The system to be used to place a wager with an internet gambling operator;

(6) The manner in which internet gambling operators must verify that their patrons are at least twenty-one years of age;

(7) Protections for a player placing a wager with an internet gambling operator;

(8) Measures to promote responsible internet gambling;

(9) Penalties and fines for violating this section or rules adopted under this section;

(10) Restrictions to ensure that internet gambling operators' advertisements for internet gambling meet the

requirements of section 3772.41 of the Revised Code.

(11) A requirement that each internet gambling operator comply with the requirements of the Ohio voluntary exclusion program.

(12) Any other procedure or thing the commission determines necessary to ensure the integrity of internet gambling regulated by the commission.

(C) The commission shall adopt rules establishing minimum internal control standards for the administration of internet gambling platforms, internet gambling systems, internet gambling equipment, and other systems or items used by internet gambling operators to conduct internet gambling, and the maintenance of internet gambling operators' financial records and other required records. The commission may approve minimum internal control standards proposed by internet gambling operators.

(D) The commission shall approve all internet gambling equipment and each form, variation, or composite of internet gambling to be used by internet gambling operators in accordance with section 3772.312 of the Revised Code and shall license all internet gambling suppliers.

(E)(1) The commission shall determine a person's eligibility to hold or renew an internet gambling license, shall issue all internet gambling licenses, and shall maintain a record of all internet gambling licenses issued.

(2) The commission shall conduct a complete investigation of each applicant for an internet gambling license to determine whether the applicant meets the requirements of this chapter and of the commission's rules each time the applicant applies for an initial or renewed internet gambling license. The commission may

initiate an additional licensing investigation or adjudication or reopen an existing licensing investigation or adjudication at any time.

(F)(1) Except as otherwise provided in divisions (F)(2) and (3) of this section, the commission shall levy and collect all fees and surcharges imposed under this chapter and rules adopted under this chapter and shall deposit all moneys collected in the casino control commission fund created under section 5753.03 of the Revised Code.

(2) The commission shall deposit the license and contract fees described in division (D) of section 3771.04 and division (I) of section 3771.05 of the Revised Code in the general revenue fund.

(3) The commission shall levy and collect fines for noncriminal violations of the provisions of this chapter and of rules adopted under this chapter and shall deposit all such fines in the general revenue fund.

(G)(1) The commission, in an adjudication conducted under Chapter 119. of the Revised Code and in accordance with section 3772.04 of the Revised Code, may do any of the following:

(a) Penalize or fine any internet gambling licensee, applicant for an internet gambling license, or other person who is subject to the commission's jurisdiction under this chapter;

(b) Limit, condition, restrict, suspend, revoke, deny, or refuse to renew any internet gambling license.

(2) The executive director of the commission may issue an emergency order with respect to internet gambling under division (G) of section 3772.04 of the Revised Code.

(H)(1) The commission shall monitor all internet gambling conducted in this state by internet gambling operators, or shall contract with an independent integrity monitoring provider for that purpose, in order to identify any unusual betting activities or patterns that may indicate a need for further investigation. The commission shall require each internet gambling operator to participate in the monitoring system as part of the minimum internal control standards described in division (C) of this section.

(2) The information in the monitoring system described in division (H)(1) of this section is not a public record. The commission may disclose the information in the monitoring system only as necessary for investigative or law enforcement purposes or pursuant to a court order.

(I)(1) The executive director of the commission promptly shall report to the commission any facts or circumstances related to the operation of an internet gambling licensee that constitute a violation of state or federal law and immediately report any suspicious wagering to the appropriate state or federal authorities.

(2) The commission shall cooperate with any investigation conducted by a law enforcement agency, including by providing, or facilitating the provision of, wagering information and audio or video files related to persons placing wagers.

(3) A sheriff, chief of police, or prosecuting attorney shall furnish to the commission, on forms prescribed by the commission, any information obtained concerning any apparent violation of this chapter or rules adopted under this chapter. If the information is considered a confidential law enforcement investigatory record under section 149.43 of the Revised Code,

the commission shall not disclose the information to the public.

(J)(1) The attorney general has a civil cause of action to restrain any violation of this chapter or of rules adopted under this chapter. Upon the request of the commission or its executive director, the attorney general shall commence and prosecute such an action to completion. The court shall give priority to such an action over all other civil actions.

(2) An action brought under division (J)(1) of this section does not preclude an administrative or criminal proceeding on the same facts.

(3) The attorney general may enter into an agreement with a state or local law enforcement agency to carry out the duties described in division (J)(1) of this section.

Sec. 3771.03. (A) No person shall operate, conduct, or assist in operating or conducting internet gambling in this state without first obtaining an appropriate internet gambling license from the commission. An internet gambling license is not transferable.

(B) Each person applying for an initial or renewed internet gambling license issued under this section and each person who has control of the applicant, as described in division (C) of this section, shall submit two complete sets of fingerprints to the commission for the purpose of conducting a criminal records check, including obtaining any available information from the federal bureau of investigation. The person shall provide the fingerprints using a method the superintendent of the bureau of criminal identification and investigation prescribes pursuant to division (C)(2) of section 109.572 of the Revised Code and fill out the form the superintendent of the

bureau of criminal identification and investigation prescribes pursuant to division (C)(1) of section 109.572 of the Revised Code. Upon receiving an application under this section, the executive director of the commission shall request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the fingerprint impressions in accordance with division (A)(20) of section 109.572 of the Revised Code. Any fee required under division (C)(3) of section 109.572 of the Revised Code shall be paid by the applicant, or in the case of an occupational license, by the applicant's employer. Any applicant convicted of any disqualifying offense, as defined in section 3772.07 of the Revised Code, shall not be issued a license.

(C) The commission shall not grant an internet gambling operator, internet gambling management company, or internet gambling supplier license until it has determined that each person who has control of the applicant has met the qualifications for licensure established in this chapter and in rules adopted by the commission. All of the following persons are considered to have control of an applicant:

(1) Each person associated with a corporate applicant, including any holding company, parent company, or subsidiary company of the applicant, that has the ability to control the activities of the corporate applicant or elect a majority of the board of directors of that corporation, other than any bank or other licensed lending institution that holds a mortgage or other lien acquired in the ordinary course of business. As used in this division, "holding company" means any corporation, firm, partnership, limited partnership, limited liability company, trust, or other form of business organization not a natural

person which directly or indirectly does any of the following:

(a) Has the power or right to control the applicant;

(b) Holds an ownership interest of five per cent or more, as determined by the commission, in the applicant;

(c) Holds voting rights with the power to vote five per cent or more of the outstanding voting rights of the applicant.

(2) Each person associated with a noncorporate applicant that directly or indirectly holds a beneficial or proprietary interest in the applicant's business operation or that the commission otherwise determines has the ability to control the applicant;

(3) Key personnel of an applicant, including any executive, employee, or agency, having the power to exercise significant influence over decisions concerning any part of the applicant's business operation.

(D) An internet gambling licensee shall display its license conspicuously in its place of business or have the license available for inspection by any agent of the commission or any law enforcement agency.

(E) An internet gambling licensee shall give the commission written notice within ten days of any material change to any information provided in the licensee's application for a license or renewal, in accordance with section 3772.113 of the Revised Code.

Sec. 3771.04. (A) The commission may issue an internet gambling operator license only to a casino operator or a permit holder. Subject to division (A) of section 3771.05 of the Revised Code, an internet gambling operator license authorizes

the licensee to operate one internet gambling platform.

(B) The commission shall adopt by rule a procedure allowing the commission to revoke an internet gambling operator license if the licensee does not offer internet gambling to patrons under the license for a continuous period of one year or more.

(C) An applicant for an initial or renewed internet gambling operator license shall do all of the following:

(1) Submit a written application on a form furnished by the commission;

(2) Pay the fee required under division (C)(3) of section 109.572 of the Revised Code, along with a nonrefundable application fee in an amount prescribed by the commission by rule;

(3) Submit an audit of the applicant's financial transactions and the condition of the applicant's total operations for the previous fiscal year prepared by a certified public accountant in accordance with generally accepted accounting principles and state and federal laws;

(4) Submit sufficient documentation to demonstrate that the applicant is capable of operating internet gambling in this state in compliance with this chapter and the rules of the commission;

(5) Satisfy any other requirements for licensure under this chapter, Chapter 3772. of the Revised Code, and rules adopted thereunder.

(D) An internet gambling operator shall pay the commission a nonrefundable license fee of fifty million dollars upon

issuance of an initial license and, subject to division (E) of this section, shall pay a nonrefundable license fee of five million dollars upon being issued a renewed license.

(E) An internet gambling operator license is valid for a term of five years, provided that when the commission issues an initial internet gambling operator license to a person who also holds a current and valid sports gaming proprietor license issued under Chapter 3775. of the Revised Code, the term of the initial internet gambling operator license shall be extended to expire on the date that is five years after the person's sports gaming proprietor license expires or, if the person holds more than one sports gaming proprietor license, the date that is five years after the latest expiration date of any of those licenses.

(F)(1) Subject to division (F)(2) of this section, upon the expiration of an internet gambling operator license, an internet gambling operator may apply to renew the license in the same manner as for an initial license, unless the license is suspended or revoked or the commission determines that the internet casino gaming operator is not in compliance with this chapter and the rules adopted under this chapter.

(2) An applicant for a renewed internet gambling operator license who currently holds a sports gaming proprietor license issued under Chapter 3775. of the Revised Code is not required to take action to satisfy any additional requirement for the renewed internet gambling operator license that is substantially similar to any requirement the applicant previously has satisfied in order to obtain or renew the applicant's sports gaming proprietor license.

Sec. 3771.05. (A) An internet gambling operator may contract with not more than one internet gambling management

company to offer internet gambling on the internet gambling operator's behalf. If an internet gambling operator contracts with an internet gambling management company under this section, the internet gambling operator shall not operate any other internet gambling platform.

(B) The commission shall adopt by rule a procedure allowing the commission to revoke an internet gambling management company's license if the licensee does not actively offer internet gambling under the license for a continuous period of one year or more.

(C) An internet gambling management company may offer internet gambling only in accordance with this chapter and Chapter 3772. of the Revised Code and with the rules adopted thereunder.

(D) In order to permit an internet gambling management company to offer internet gambling on behalf of an internet gambling operator, the internet gambling operator and internet gambling management company shall enter into a written contract that has been approved by the commission. If the internet gambling operator and internet gambling management company wish to make a material change to the contract, the internet gambling operator shall first submit the change to the commission for its approval or rejection. The internet gambling operator and internet gambling management company shall not assign, delegate, subcontract, or transfer the internet gambling management company's duties and responsibilities under the contract to a third party.

(E) An internet gambling management company shall be licensed under this section before entering into a contract with an internet gambling operator.

(F)(1) Subject to division (F)(2) of this section, the provisions of this chapter and Chapter 3772. of the Revised Code concerning an internet gambling operator apply to an internet gambling management company that contracts with an internet management operator with respect to all rights, duties, and liabilities of the internet gambling operator assigned, delegated, subcontracted, or transferred to the internet gambling management company as though the internet gambling management company were an internet gambling operator. Unless the context requires otherwise, references in the Revised Code to an internet gambling operator apply to an internet gambling management company to the extent that the internet gambling management company is acting on behalf of an internet gambling operator pursuant to the contract.

(2) Division (F)(1) of this section does not permit an internet gambling management company to operate internet gambling other than pursuant to a contract with an internet gambling operator to operate internet gambling on behalf of the internet gambling operator.

(G) An applicant for an initial or renewed internet gambling management company license shall meet all requirements for licensure established by the commission by rule and shall pay the fee required under division (C)(3) of section 109.572 of the Revised Code, along with a nonrefundable application fee in an amount determined by the commission by rule. The licensure requirements shall require the applicant to submit sufficient documentation to demonstrate that the applicant is capable of operating internet gambling in this state in compliance with this chapter and the rules of the commission.

(H) The commission may accept another jurisdiction's

license, if the commission determines it has similar licensing requirements, as evidence that the applicant meets the requirements for an internet gambling management company license issued under this section.

(I)(1) Except as otherwise provided in division (I)(2) of this section, an internet gambling management company is not required to pay the commission a license fee upon issuance of an initial or renewed internet gambling management company license.

(2) If the same person does not own or control at least fifty per cent of both the internet gambling management company and the internet gambling operator with which it contracts under this section, then the internet gambling management company shall pay the commission a nonrefundable license fee of fifty million dollars upon being issued an initial internet gambling management company license and a nonrefundable license fee of five million dollars upon being issued a renewed internet gambling management company license.

(J) An internet gambling management company license is valid for a term of five years, provided that when the commission issues an initial internet gambling management company license to a person who also holds a current and valid mobile management services provider or management services provider license issued under Chapter 3775. of the Revised Code, the term of the initial internet gambling management company license shall be extended to expire on the date that is five years after the person's mobile management services provider or management services provider license expires or, if the person holds more than one such license under Chapter 3775. of the Revised Code, the date that is five years after the latest expiration date of any of those licenses.

(K)(1) Subject to division (K)(2) of this section, in order to renew an internet gambling management company license, the licensee shall apply to the commission for a renewed license in the same manner as for an initial license.

(2) An applicant for a renewed internet gambling management company license who currently holds a mobile management services company or management services company license issued under Chapter 3775. of the Revised Code is not required to take action to satisfy any additional requirement for the renewed internet gambling management company license that is substantially similar to any requirement the applicant previously has satisfied in order to obtain or renew the applicant's mobile management services provider or management services provider license.

(L) The commission shall adopt a rule setting a maximum number of internet gambling management company licenses a person may hold at any one time.

Sec. 3771.06. (A) An internet gambling supplier shall hold an appropriate and valid internet gambling supplier license issued by the Ohio casino control commission at all times. The commission may accept another jurisdiction's license, if the commission determines it has similar licensing requirements, as evidence that the applicant meets the requirements for a license issued under this section. The commission shall issue an internet gambling supplier license to a person or entity that meets the requirements of this chapter and Chapter 3772. of the Revised Code and of the commission's rules.

(B) An applicant for an initial or renewed internet gambling supplier license shall apply for the license on a form prescribed by the commission and shall pay the fee required

under division (C)(3) of section 109.572 of the Revised Code, along with a nonrefundable application fee of fifty thousand dollars.

(C) Upon receiving an initial or renewed internet gambling supplier license, the applicant shall pay a nonrefundable license fee of one hundred thousand dollars.

(D) An internet gambling supplier license is valid for a term of three years, provided that when the commission issues an initial internet gambling supplier license to a person who also holds a current and valid sports gaming supplier license issued under Chapter 3775. of the Revised Code, the term of the initial internet gambling supplier license shall be extended to expire on the date that is three years after the person's sports gaming supplier license expires.

(E)(1) Subject to division (E)(2) of this section, in order to renew an internet gambling supplier license, the licensee shall apply to the commission for a renewed license in the same manner as for an initial license.

(2) An applicant for a renewed internet gambling supplier license who currently holds a sports gaming supplier license issued under Chapter 3775. of the Revised Code is not required to take action to satisfy any additional requirement for the renewed internet gambling supplier license that is substantially similar to any requirement the applicant previously has satisfied in order to obtain or renew the applicant's sports gaming supplier license.

Sec. 3771.07. An individual described in division (A) of section 3772.13 of the Revised Code shall hold a valid key gaming employee license issued by the commission under that

section at all times. An individual whose duties with respect to internet gambling are as described in division (A) of section 3772.131 of the Revised Code shall hold a valid gaming employee license issued by the commission under that section at all times.

Sec. 3771.08. (A) An applicant for an internet gambling operator, internet gambling management company, or internet gambling supplier license shall establish the applicant's suitability for the license by clear and convincing evidence.

(B) In issuing initial and renewed internet gambling operator, internet gambling management company, and internet gambling supplier licenses, the commission shall consider all of the following factors, in addition to all other requirements for licensure specified under this chapter and in the rules of the commission:

(1) The reputation, experience, and financial integrity of the applicant and any person that controls the applicant;

(2) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance and to provide an adequate surety bond;

(3) The past and present compliance of the applicant and its affiliates or affiliated companies with gambling-related licensing requirements in this state or any other jurisdiction, including whether the applicant has a history of noncompliance with those requirements;

(4) Whether the applicant has been charged with, indicted for, or convicted of any felony or misdemeanor criminal offense under the laws of any jurisdiction, not including any traffic violation;

(5) Whether the applicant has filed, or had filed against it, a proceeding for bankruptcy, or has ever been involved in any formal process to adjust, defer, suspend, or otherwise work out the payment of any debt;

(6) Whether the applicant has been served with a complaint or other notice filed with any public body regarding a payment of any tax required under federal, state, or local law that has been delinquent for one or more years;

(7) Whether the applicant is or has been a defendant in litigation involving its business practices;

(8) Whether awarding a license would undermine the public's confidence in the gaming industry in this state.

(C) The commission shall not grant an internet gambling operator, internet gambling management company, or internet gambling supplier license to an applicant if evidence satisfactory to the commission exists that the applicant has done any of the following:

(1) Knowingly made a false statement to the commission;

(2) Been suspended from operating a gambling game, gaming device, or gaming operation, or had a license revoked by any governmental unit of a national, state, or local body exercising governmental functions;

(3) Been convicted of a disqualifying offense, as defined in section 3772.07 of the Revised Code;

(4) Been directly involved in or employed by any offshore wagering market that illegally serviced the United States or otherwise accepted illegal wagers from individuals located in the United States on or after April 16, 2015.

(D) The commission may deny an internet gambling operator or internet gambling management company license to any applicant, reprimand any internet gambling operator or internet gambling management company, or suspend or revoke an internet gambling operator or internet gambling management company license if any of the following are true:

(1) The applicant or licensee has not demonstrated to the commission's satisfaction financial responsibility sufficient to adequately meet the requirements of the enterprise.

(2) The applicant or licensee is not the true owner of the business or is not the sole owner and has not disclosed the existence or identity of other persons who have an ownership interest in the business.

(3) The applicant or licensee is a corporation that sells more than five per cent of the corporation's voting stock, or more than five per cent of the voting stock of a corporation that controls the corporation, or sells the corporation's assets, other than those bought and sold in the ordinary course of business, or any interest in the assets, to any person who, under division (C) of section 3771.03 of the Revised Code, must meet the qualifications of an internet gambling operator or internet gambling management company, as applicable, and who has not already been determined by the commission to have met the applicable qualifications.

(E) The commission shall revoke an internet gambling operator license that was issued to a permit holder if the licensee ceases to qualify as a permit holder. The commission shall revoke an internet gambling operator license that was issued to a casino operator if the licensee ceases to qualify as a casino operator.

(F) The commission shall not grant an internet gambling license to any of the following persons:

(1) A nonprofit corporation or organization;

(2) An individual who is under twenty-one years of age;

(3) An employee of the commission.

(G) In determining whether a person has control over an applicant for purposes of this section, the standard described in division (C) of section 3771.03 of the Revised Code applies.

(H) In reviewing an application for a license under this chapter, the commission may rely on or consider the last investigation it conducted concerning the applicant, or the last license it issued to the applicant, under this chapter or Chapter 3770., 3772., or 3775. of the Revised Code.

Sec. 3771.09. (A) An internet gambling operator shall do all of the following:

(1) Conduct all internet gambling activities and functions in a manner that do not pose a threat to the public health, safety, or welfare of the citizens of this state;

(2) Keep current in all payments and obligations to the commission;

(3) Provide a secure location for the placement, operation, and use of internet gambling equipment;

(4) Prevent any person from tampering with or interfering with the operation of internet gambling;

(5) Employ commercially reasonable methods to prevent the internet gambling operator and its agents and employees from disclosing any confidential information in the possession of the

internet gambling operator that could affect the conduct of internet gambling;

(6) Ensure that internet gambling occurs only in the manner approved by the commission;

(7) Ensure that all internet gambling is monitored in accordance with division (H) of section 3771.02 of the Revised Code;

(8) Maintain sufficient funds and other supplies to conduct internet gambling at all times;

(9) Maintain daily records showing the internet gambling operator's internet gambling receipts and timely file with the commission any additional reports required by rule or other provisions of the Revised Code;

(10) Comply with all applicable requirements of Chapter 3772. of the Revised Code.

(B) An internet gambling operator is not liable under the laws of this state to any party, including a patron, for disclosing information as required under this chapter or for refusing to disclose information that is not required by law to be disclosed.

Sec. 3771.10. (A) An internet gambling operator may operate one internet gambling platform through which the internet gambling operator accepts wagers from individuals who are at least twenty-one years of age and who are physically located in this state. The internet gambling platform shall use geoblocking technology that meets the requirements of section 3772.313 of the Revised Code and that is obtained from an internet gambling supplier to prohibit individuals who are not physically present in this state from participating in internet

gambling through the platform.

(B) The server responsible for accepting wagers through an internet gambling platform shall be located in a secure facility in this state.

Sec. 3771.11. (A) No individual who is on the commission's internet gambling exclusion list created under section 3772.031 of the Revised Code shall participate in the play or operation of internet gambling in this state.

(B)(1) An internet gambling operator may exclude any individual from participating in the play or operation of internet gambling conducted by the internet gambling operator. The internet gambling operator shall keep a list of all excluded individuals. No individual who is on an internet gambling operator's exclusion list shall participate in the play or operation of internet gambling conducted by the internet gambling operator under this chapter.

(2) If an internet gambling operator excludes an individual because the internet gambling operator determines that the individual engaged or attempted to engage in any internet gambling related activity that is prohibited under this chapter or under the commission's rules, the internet gambling operator shall report that fact to the commission.

(C)(1) An internet gambling operator shall employ commercially reasonable methods to prevent any person who is participating in the Ohio voluntary exclusion program from engaging in internet gambling conducted by the internet casino gaming operator.

(2) Absent gross negligence, all of the following persons are immune from any type of civil liability on the basis that a

person who is participating in the Ohio voluntary exclusion program participates in internet gambling conducted under this chapter:

(a) The commission or any other agency of this state and its agents or employees;

(b) An internet gambling licensee and its agents or employees.

(D) No internet gambling operator, no director, officer, agent, or employee of an internet gambling operator, no other person who has a financial interest in an internet gambling operator, and no person living in the same household as any of those persons, shall engage in any internet gambling conducted by the internet gambling operator, other than as part of operating internet gambling or as part of the employee's employment. An internet gambling operator shall employ commercially reasonable methods to prevent those persons, and any other person who has access to confidential information held by the internet gambling operator, from engaging in internet gambling conducted by the internet gambling operator.

(E) No member or employee of the Ohio casino control commission or the state lottery commission shall knowingly participate in internet gambling conducted by an internet gambling operator in this state or participate in internet gambling with any person or entity located outside this state that is directly or indirectly owned or operated by an internet gambling operator. An internet gambling operator shall employ commercially reasonable methods to prevent such a person from engaging in internet gambling conducted by the internet gambling operator.

Sec. 3771.12. (A) Notwithstanding any contrary provision of section 149.43 of the Revised Code, the commission shall not disclose to the public any of the following:

(1) Any of the following information or documents concerning a person who has applied for or been issued a license under this chapter or the person's spouse, dependent, or employee, unless the person authorizes the commission to disclose the information:

(a) A social security number, passport number, or federal tax identification number;

(b) A home address, telephone number, or electronic mail address;

(c) A birth certificate;

(d) A driver's license or state identification card number;

(e) The name or address of a previous spouse;

(f) A date or place of birth;

(g) Any personal financial information or records, including personal tax returns and information and records of criminal proceedings;

(h) Any information concerning a minor child;

(i) Any information concerning a person the commission has reason to know is a victim of domestic violence, sexual assault, or stalking;

(j) Any trade secret, medical records, or patents or exclusive licenses;

(k) Security information, including risk prevention plans,

detection and countermeasures, location of money storage areas, emergency management plans, security and surveillance plans, equipment and usage protocols, and theft and fraud prevention plans and countermeasures;

(l) Any other information that the commission receives from another jurisdiction relating to a person who holds, held, or has applied for a license under this chapter.

(B) Except as otherwise provided in division (A) of this section, all of the following information is subject to disclosure as a public record under section 149.43 of the Revised Code:

(1) The information an internet gambling operator or an applicant for an internet gambling operator or internet gambling management company license has submitted to the commission as part of applying for or renewing an internet gambling operator or internet gambling management company license;

(2) The name, place of employment, job title, and gaming experience of a person who has applied for or been issued a license under this chapter;

(3) The commission's reasons for denying or revoking a license under this chapter or for taking other disciplinary action under this chapter.

(C) Division (A) of this section does not prohibit the commission from disclosing information and documents described in that division to the state lottery commission or to the inspector general, a prosecuting authority, a law enforcement agency, or any other appropriate governmental entity or licensing agency, provided that the recipient shall not disclose the information and documents to the public.

Sec. 3771.13. (A) All shipments of gambling devices, including any internet gambling equipment, to internet gambling operators or internet gambling management companies are legal shipments of gambling devices into this state, as long as the supplier has completed the registering, recording, and labeling of the equipment in accordance with the "Gambling Devices Act of 1962," 15 U.S.C. 1171 to 1178.

(B) This state is exempt from section 2 of the "Gambling Devices Act of 1962," 15 U.S.C. 1172.

Sec. 3771.99. (A) Whoever knowingly does any of the following commits a misdemeanor of the first degree on the first offense and a felony of the fifth degree on a subsequent offense:

(1) Makes a false statement on an application submitted under this chapter;

(2) Permits an individual under twenty-one years of age to engage in internet gambling;

(3) Participates in internet gambling in violation of division (D) of section 3771.11 of the Revised Code, other than as part of operating internet gambling or as part of the employee's employment.

(B) Whoever knowingly does any of the following commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense. If the person is an internet gambling licensee, the commission shall revoke the person's license after the first offense.

(1) Offers, promises, or gives anything of value to anyone for the purpose of influencing the outcome of an internet gambling game or attempts to do so;

(2) Places, increases, or decreases a wager after acquiring knowledge not available to the general public that anyone has been offered, promised, or given anything of value for the purpose of influencing the outcome of an internet gambling game upon which the wager is placed, increased, or decreased, or attempts to do so;

(3) Manufactures, sells, or distributes any device that is intended by that person to be used to violate any provision of this chapter or Chapter 3772. of the Revised Code or the internet gambling laws of any other state;

(4) Places a bet or aids any other person in placing a bet on an internet gambling game after unlawfully acquiring knowledge of the outcome on which winnings from that bet are contingent;

(5) Claims, collects, or takes anything of value from an internet gambling operator with intent to defraud or attempts to do so without having made a wager in which the amount or value is legitimately won or owed;

(6) Places a wager using counterfeit currency or other counterfeit form of credit approved for wagering;

(7) Possesses any device intended to be used to violate this chapter or Chapter 3772. of the Revised Code or any rule adopted thereunder, or any materials used to manufacture such a device. This division does not apply to an internet gambling operator or to an agent or employee of an internet gambling operator who is acting in furtherance of the internet gambling operator's interest.

(8) Changes or alters the normal outcome of any internet gambling game conducted through an internet gambling platform,

including any system used to monitor the internet gambling platform, or the way in which the outcome is reported to any patron;

(9) Operates internet gambling in a manner other than the manner required under this chapter and Chapter 3772. of the Revised Code. Premises or any internet web site used or occupied in violation of this division constitute a nuisance subject to abatement under Chapter 3767. of the Revised Code.

(C) Whoever knowingly does any of the following commits a felony of the third degree. If the person is an internet gambling licensee, the commission shall revoke the person's license after the first offense. If the person is a public servant or political party official, the person is forever disqualified from holding any public office, employment, or position of trust in this state.

(1) Offers, promises, or gives anything of value or benefit to a person who is connected with an internet gambling operator, an agent or employee of an internet gambling operator, or a member, agent, or employee of the Ohio casino control commission, under an agreement to influence, or with the intent to influence, the actions of the person to whom the offer, promise, or gift is made in order to affect or attempt to affect the outcome of internet gambling or an official action of a member, agent, or employee of the commission;

(2) Solicits, accepts, or receives a promise of anything of value or benefit while the person is connected with an internet gambling operator, an agent or employee of an internet gambling operator, or a member, agent, or employee of the commission, 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 internet gambling or an official action of a member, agent, or employee of the commission.

(D) Whoever knowingly does any of the following while participating in internet gambling or otherwise transacting with an internet gambling operator as permitted under this chapter and Chapter 3772. of the Revised Code commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense:

(1) Causes or attempts to cause the person to fail to file a report required under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, or to fail to file a report or maintain a record required by an order issued under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508;

(2) Causes or attempts to cause the person to file a report under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, to file a report or to maintain a record required by any order issued under 31 U.S.C. 3126, or to maintain a record required under any regulation prescribed under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508 that contains a material omission or misstatement of fact;

(3) With one or more internet gambling operators, structures a transaction, is complicit in structuring a transaction, attempts to structure a transaction, or is complicit in an attempt to structure a transaction. As used in this division:

(a) To be "complicit" means to engage in any conduct of a type described in divisions (A)(1) to (4) of section 2923.03 of the Revised Code.

(b) "Structure a transaction" has the same meaning as in section 1315.51 of the Revised Code.

Sec. 3772.01. As used in this chapter:

(A) "Applicant" means any person who applies to the commission for a license under this chapter.

(B) "Casino control commission fund" means the casino control commission fund described in Section 6(C)(3)(d) of Article XV, Ohio Constitution, the money in which shall be used to fund the commission and its related affairs.

(C) "Casino facility" means a casino facility as defined in Section 6(C)(9) of Article XV, Ohio Constitution.

(D) "Casino game" means any slot machine or table game as defined in this chapter.

(E) "Casino gaming" means any type of slot machine or table game wagering, using money, casino credit, or any representative of value, authorized in any of the states of Indiana, Michigan, Pennsylvania, and West Virginia as of January 1, 2009, and includes slot machine and table game wagering subsequently authorized by, but shall not be limited by, subsequent 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; horse racing where the pari-mutuel system of wagering is conducted, as authorized under the laws of this state as of January 1, 2009; ~~or~~ sports gaming; or internet gambling.

(F) "~~Casino gaming~~ Gaming employee" means~~ any employee of a casino operator or management company~~ a person who holds a valid gaming employee license issued under section 3772.131 of the Revised Code, but does not include a key gaming employee~~, and as further defined in section 3772.131 of the Revised Code~~.

(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.

(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.

(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 played and uses predictions formed as a result of the tracking information in the individual's playing and betting strategy.

(J) "Commission" means the Ohio casino control commission.

(K) "Gaming agent" means a peace officer employed by the commission that is vested with duties to enforce this chapter and conduct other investigations into the conduct of the casino gaming and the maintenance of the equipment that the commission considers necessary and proper and is in compliance with section 109.77 of the Revised Code.

(L) "Gaming-related vendor" means any individual, partnership, corporation, association, trust, or any other group of individuals, however organized, who supplies gaming-related equipment, goods, or services to a casino operator or management company, that are directly related to or affect casino gaming authorized under this chapter, including, but not limited to, the manufacture, sale, distribution, or repair of slot machines and table game equipment.

(M) "Holding company" means any corporation, firm, partnership, limited partnership, limited liability company, trust, or other form of business organization not a natural person which directly or indirectly does any of the following:

(1) Has the power or right to control a casino operator, management company, or gaming-related vendor license applicant or licensee;

(2) Holds an ownership interest of five per cent or more, as determined by the commission, in a casino operator, management company, or gaming-related vendor license applicant or licensee;

(3) Holds voting rights with the power to vote five per cent or more of the outstanding voting rights of a casino operator, management company, or gaming-related vendor applicant or licensee.

(N) "Initial investment" includes costs related to demolition, engineering, architecture, design, site preparation, construction, infrastructure improvements, land acquisition, fixtures and equipment, insurance related to construction, and leasehold improvements.

(O) "Institutional investor" means any of the following entities owning five per cent or more, but less than twenty-five per cent, of an ownership interest in a casino facility, casino operator, management company, or holding company: a corporation, bank, insurance company, pension fund or pension fund trust, retirement fund, including funds administered by a public agency, employees' profit-sharing fund or employees' profit-sharing trust, any association engaged, as a substantial part of its business or operations, in purchasing or holding securities, including a hedge fund, mutual fund, or private equity fund, or any trust in respect of which a bank is trustee or cotrustee, investment company registered under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., collective investment trust organized by banks under Part Nine of the Rules of the Comptroller of the Currency, closed-end investment trust, chartered or licensed life insurance company or property and casualty insurance company, investment advisor registered under the "Investment Advisors Act of 1940," 15 U.S.C. 80 b-1 et seq., and such other persons as the commission may reasonably determine to qualify as an institutional investor for reasons consistent with this chapter, and that does not exercise control over the affairs of a licensee and its ownership interest in a

licensee is for investment purposes only, as set forth in division (F) of section 3772.10 of the Revised Code.

(P) "Key gaming employee" means ~~any executive, employee, agent, or other individual who has the power to exercise significant influence over decisions concerning any part of the operation of a person that has applied for or holds a casino operator, management company, or gaming-related vendor license or the operation of a holding company of a person that has applied for or holds a casino operator, management company, or gaming-related vendor license, including:~~

~~(1) An officer, director, trustee, partner, or an equivalent fiduciary;~~

~~(2) An individual who holds a direct or indirect ownership interest of five per cent or more;~~

~~(3) An individual who performs the function of a principal executive officer, principal operating officer, principal accounting officer, or an equivalent officer;~~

~~(4) Any other individual the commission determines to have the power to exercise significant influence over decisions concerning any part of the operation~~ a person who holds a valid key gaming employee license issued under section 3772.13 of the Revised Code.

(Q) "Licensed casino operator" means a casino operator that has been issued a license by the commission and that has been certified annually by the commission to have paid all applicable fees, taxes, and debts to the state.

(R) "Majority ownership interest" in a license or in a casino facility, as the case may be, means ownership of more than fifty per cent of such license or casino facility, as the

case may be. For purposes of the foregoing, whether a majority ownership interest is held in a license or in a casino facility, as the case may be, shall be determined under the rules for constructive ownership of stock provided in Treas. Reg. 1.409A-3(i)(5)(iii) as in effect on January 1, 2009.

(S) "Management company" means an organization retained by a casino operator to manage a casino facility and provide services such as accounting, general administration, maintenance, recruitment, and other operational services.

(T) "Ohio law enforcement training fund" means the state law enforcement training fund described in Section 6(C)(3)(f) of Article XV, Ohio Constitution, the money in which shall be used to enhance public safety by providing training opportunities to the law enforcement community.

(U) "Person" includes, but is not limited to, an individual or a combination of individuals; a sole proprietorship, a firm, a company, a joint venture, a partnership of any type, a joint-stock company, a corporation of any type, a corporate subsidiary of any type, a limited liability company, a business trust, or any other business entity or organization; an assignee; a receiver; a trustee in bankruptcy; an unincorporated association, club, society, or other unincorporated entity or organization; entities that are disregarded for federal income tax purposes; and any other nongovernmental, artificial, legal entity that is capable of engaging in business.

(V) "Problem casino gambling and addictions fund" means the state problem gambling and addictions fund described in Section 6(C)(3)(g) of Article XV, Ohio Constitution, the money in which shall be used for treatment of problem gambling and

substance abuse, and for related research.

(W) "Promotional gaming credit" means a slot machine or table game credit, discount, or other similar item issued to a patron to enable the placement of, or increase in, a wager at a slot machine or table game.

(X) "Slot machine" means any mechanical, electrical, or other device or machine which, upon insertion of a coin, token, ticket, or similar object, or upon payment of any consideration, is available to play or operate, the play or operation of which, whether by reason of the skill of the operator or application of the element of chance, or both, makes individual prize determinations for individual participants in cash, premiums, merchandise, tokens, or any thing of value, whether the payoff is made automatically from the machine or in any other manner, but does not include any device that is a skill-based amusement machine, or an electronic instant bingo system, as defined in section ~~2915.01~~ 3768.01 of the Revised Code.

(Y) "Table game" means any game played with cards, dice, or any mechanical, electromechanical, or electronic device or machine for money, casino credit, or any representative of value. "Table game" does not include slot machines.

(Z) "Upfront license" means the first plenary license issued to a casino operator.

(AA) "~~Voluntary~~ Ohio voluntary exclusion program" means ~~a~~ the voluntary exclusion program provided by the commission ~~that allows persons to voluntarily exclude themselves from the gaming areas of facilities under the jurisdiction of the commission by placing their name on a voluntary exclusion list and following the procedures set forth by the commission~~ under section 3772.39

of the Revised Code.

(BB) "Sports gaming," "sports gaming proprietor," "sports gaming equipment," "sports gaming facility," "sporting event," "mobile management services provider," ~~and~~ "management services provider," and "type C sports gaming proprietor" have the same meanings as in section 3775.01 of the Revised Code. A person is considered to be involved in a sporting event if division (F)(3) of section 3775.13 of the Revised Code applies to the person with respect to that sporting event.

(CC) "Charitable gaming" and "electronic instant bingo system" have the same meanings as in section 3768.01 of the Revised Code.

(DD) "Permit holder" and "satellite facility" have the same meanings as in section 3769.01 of the Revised Code. "Track" has the same meaning as in that section, but also includes a satellite facility.

(EE) "Video lottery sales agent" and "video lottery terminal" have the same meanings as in section 3770.01 of the Revised Code.

(FF) "Internet gambling," "internet gambling equipment," "internet gambling operator," and "internet gambling management company" have the same meanings as in section 3771.01 of the Revised Code.

(GG) "Skill-based amusement machine," "sweepstakes," "sweepstakes terminal device," and "sweepstakes terminal device facility" have the same meanings as in section 3777.01 of the Revised Code.

Sec. 3772.02. (A) There is hereby created the Ohio casino control commission described in Section 6(C)(4) of Article XV,

Ohio Constitution.

(B) The commission shall consist of seven members appointed within one month of September 10, 2010, by the governor with the advice and consent of the senate. The governor shall forward all appointments to the senate within twenty-four hours.

(1) Each commission member is eligible for reappointment at the discretion of the governor. No commission member shall be appointed for more than three terms in total.

(2) Each commission member shall be a resident of Ohio.

(3) At least one commission member shall be experienced in law enforcement and criminal investigation.

(4) At least one commission member shall be a certified public accountant experienced in accounting and auditing.

(5) At least one commission member shall be an attorney admitted to the practice of law in Ohio.

(6) At least one commission member shall be a resident of a county where one of the casino facilities is located.

(7) Not more than four commission members shall be of the same political party.

(8) No commission member shall have any affiliation with an Ohio casino operator or facility ~~or~~, with a permit holder or management services company that offers pari-mutuel wagering on horse racing under Chapter 3769. of the Revised Code, with a video lottery sales agent, with an internet gambling operator or internet gambling management company, or with a sports gaming proprietor, mobile management services provider, or management services provider licensed under Chapter 3775. of the Revised

Code.

(C) Commission members shall serve four-year terms, except that when the governor makes initial appointments to the commission under this chapter, the governor shall appoint three members to serve four-year terms with not more than two such members from the same political party, two members to serve three-year terms with such members not being from the same political party, and two members to serve two-year terms with such members not being from the same political party.

(D) Each commission member shall hold office from the date of appointment until the end of the term for which the member was appointed. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of the unexpired term. Any member shall continue in office after the expiration date of the member's term until the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first. A vacancy in the commission membership shall be filled in the same manner as the original appointment.

(E) The governor shall select one member to serve as chairperson and the commission members shall select one member from a different party than the chairperson to serve as vice-chairperson. The governor may remove and replace the chairperson at any time. No such member shall serve as chairperson for more than six successive years. The vice-chairperson shall assume the duties of the chairperson in the absence of the chairperson. The chairperson and vice-chairperson shall perform but shall not be limited to additional duties as are prescribed by commission rule.

(F) A commission member is not required to devote the member's full time to membership on the commission. ~~Beginning on September 29, 2015, each member of the commission shall receive compensation of fifty thousand dollars per year. Beginning July 1, 2016, each member of the commission shall receive compensation of forty thousand dollars per year. Beginning July 1, 2017, each~~ Each member of the commission shall receive compensation of ~~thirty~~ sixty thousand dollars per year. Each member shall receive the member's actual and necessary expenses incurred in the discharge of the member's official duties.

(G) The governor shall not appoint an individual to the commission, and an individual shall not serve on the commission, if the individual is ineligible to be appointed or retained under section 3772.07 of the Revised Code. A member who comes under indictment or bill of information of an offense that, if the member were convicted of the offense, would make the member ineligible to be appointed or retained under that section shall resign from the commission immediately upon indictment.

(H) At least five commission members shall be present for the commission to meet. The concurrence of four members is necessary for the commission to take any action. All members shall vote on the adoption of rules, and the approval of, and the suspension or revocation of, the licenses of casino operators or management companies, unless a member has a written leave of absence filed with and approved by the chairperson.

(I) A commission member may be removed or suspended from office in accordance with section 3.04 of the Revised Code.

(J) Each commission member, before entering upon the discharge of the member's official duties, shall make an oath to uphold the Ohio Constitution and laws of the state of Ohio and

shall give a bond, payable by the commission, to the treasurer of state, in the sum of ten thousand dollars with sufficient sureties to be approved by the treasurer of state, which bond shall be filed with the secretary of state.

(K) The commission shall hold one regular meeting each month and shall convene other meetings at the request of the chairperson or a majority of the members. A member who fails to attend at least three-fifths of the regular and special meetings of the commission during any two-year period forfeits membership on the commission. All meetings of the commission shall be open meetings under section 121.22 of the Revised Code except as otherwise allowed by law.

(L) Pursuant to divisions (A)(3) and (9) of section 101.82 of the Revised Code, the commission is exempt from the requirements of sections 101.82 to 101.87 of the Revised Code.

Sec. 3772.03. (A) To ensure the integrity of ~~casino~~ gaming in this state, the commission ~~shall have~~ has jurisdiction and authority ~~to~~ over all of the following:

(1) Casino gaming, pursuant to this chapter. The commission has authority to complete the functions of licensing, regulating, investigating, and penalizing casino operators, management companies, holding companies, key gaming employees, ~~casino~~ gaming employees, and gaming-related vendors. The commission also ~~shall have~~ has jurisdiction over all persons participating in casino gaming authorized by Section 6(C) of Article XV, Ohio Constitution, and this chapter.

(2) Charitable gaming, pursuant to Chapter 3768. of the Revised Code;

(3) Horse racing and pari-mutuel wagering on horse racing,

pursuant to Chapter 3769. of the Revised Code;

(4) Video lottery terminal gaming, pursuant to sections 3770.21 to 3770.22 of the Revised Code;

(5) Internet gambling, pursuant to Chapter 3771. of the Revised Code;

(6) Fantasy contests, pursuant to Chapter 3774. of the Revised Code. The commission has jurisdiction over all persons conducting or participating in the conduct of a fantasy contest authorized by Chapter 3774. of the Revised Code, including the authority to license, regulate, investigate, and penalize those persons in a manner that is consistent with the commission's authority to do the same with respect to skill-based amusement machines. To carry out this division, the commission may adopt rules under Chapter 119. of the Revised Code, including rules establishing fees and penalties related to the operation of fantasy contests. All fees imposed pursuant to those rules shall be deposited into the casino control commission fund.

(7) Sports gaming, pursuant to Chapter 3775. of the Revised Code;

(8) Skill-based amusement machine operations and sweepstakes terminal devices, pursuant to Chapter 3777. of the Revised Code. The commission has jurisdiction over all persons conducting or participating in the conduct of skill-based amusement machine operations and sweepstakes terminal devices authorized by this chapter and Chapter 3777. of the Revised Code, including the authority to complete the functions of licensing, regulating, investigating, and penalizing those persons in a manner that is consistent with the commission's authority to do the same with respect to casino gaming. To carry

out this division, the commission may adopt rules under Chapter 119. of the Revised Code, including rules establishing fees and penalties related to the operation of skill-based amusement machines and sweepstakes terminal devices. All fees imposed pursuant to those rules shall be deposited into the casino control commission fund.

(B) All rules adopted by the commission under this chapter shall be adopted under procedures established in Chapter 119. of the Revised Code. The commission may contract for the services of experts and consultants to assist the commission in carrying out its duties under this section.

~~(C)~~ (C)(1) The commission shall adopt rules as are necessary for completing the functions stated in division (A) of this section and for addressing the subjects enumerated in division (D) of this section.

(2) Notwithstanding any provision of section 121.95 of the Revised Code to the contrary, a regulatory restriction contained in a rule adopted by the commission in accordance with this chapter or Chapter 3768., 3769., 3770., 3771., 3775., or 3777. of the Revised Code during the period beginning on the effective date of this amendment and ending twelve months after that date is not subject to sections 121.95 to 121.953 of the Revised Code.

(D) The commission shall adopt, and as advisable and necessary shall amend or repeal, rules that include all of the following:

(1) The prevention of practices detrimental to the public interest;

(2) Prescribing the method of applying, and the form of

application, that an applicant for a license under this chapter must follow as otherwise described in this chapter;

(3) Prescribing the information to be furnished by an applicant or licensee as described in section 3772.11 of the Revised Code;

(4) ~~Describing the certification standards and duties of an independent testing laboratory certified under section 3772.31 of the Revised Code and the relationship between the commission, the laboratory, the gaming-related vendor, and the casino operator;~~

~~(5)~~ The minimum amount of insurance that must be maintained by a casino operator, management company, holding company, or gaming-related vendor;

~~(6)~~ (5) The approval process for a significant change in ownership or transfer of control of a licensee as provided in section 3772.091 of the Revised Code;

~~(7)~~ (6) The design of gaming supplies, devices, and equipment to be distributed by gaming-related vendors;

~~(8)~~ (7) Identifying the casino gaming that is permitted, identifying the gaming supplies, devices, and equipment, that are permitted, defining the area in which the permitted casino gaming may be conducted, and specifying the method of operation according to which the permitted casino gaming is to be conducted as provided in section 3772.20 of the Revised Code, and requiring gaming devices and equipment to meet the standards of this state;

~~(9)~~ (8) Tournament play in any casino facility;

~~(10) Establishing and implementing a~~ (9) Implementing the

Ohio voluntary exclusion program ~~that provides all of the following:~~

~~(a) Except as provided by commission rule, a person who participates in the program shall agree to refrain from entering a casino facility.~~

~~(b) The name of a person participating in the program shall be included on a list of persons excluded from all casino facilities.~~

~~(c) Except as provided by commission rule, no person who participates in the program shall petition the commission for admittance into a casino facility.~~

~~(d) The list of persons participating in the program and the personal information of those persons shall be confidential and shall only be disseminated by the commission to the state lottery commission, casino operators, sports gaming proprietors, and their agents and employees for purposes of enforcement and to other entities, upon request of the participant and agreement by the commission.~~

~~(e) A casino operator shall make all reasonable attempts as determined by the commission to cease all direct marketing efforts to a person participating in the program.~~

~~(f) A casino operator shall not cash the check of a person participating in the program or extend credit to the person in any manner. However, the program shall not exclude a casino operator from seeking the payment of a debt accrued by a person before participating in the program.~~

~~(g) Any and all locations at which a person may register as a participant in the program shall be published~~.

~~(11) Requiring the commission to adopt standards regarding the marketing materials of a licensed casino operator, including allowing the commission to prohibit marketing materials that are contrary to the adopted standards;~~

~~(12) Requiring that the records, including financial statements, of any casino operator, management company, holding company, and gaming-related vendor be maintained in the manner prescribed by the commission and made available for inspection upon demand by the commission, but shall be subject to section 3772.16 of the Revised Code;~~

~~(13)~~ (10) Permitting a licensed casino operator, management company, key gaming employee, or ~~casino~~ gaming employee to question a person suspected of violating this chapter;

~~(14)~~ (11) The chips, tokens, tickets, electronic cards, or similar objects that may be purchased by means of an agreement under which credit is extended to a wagerer by a casino operator;

~~(15)~~ (12) Establishing standards for provisional key gaming employee licenses for a person who is required to be licensed as a key gaming employee and is in exigent circumstances and standards for provisional licenses for ~~casino~~ gaming employees who submit complete applications and are compliant under an instant background check. A provisional license shall be valid not longer than three months. A provisional license may be renewed one time, at the commission's discretion, for an additional three months. In establishing standards with regard to instant background checks the commission shall take notice of criminal records checks as they are conducted under section 311.41 of the Revised Code using

electronic fingerprint reading devices.

~~(16)~~ (13) Establishing approval procedures for third-party engineering or accounting firms, as described in section 3772.09 of the Revised Code;

~~(17)~~ (14) Prescribing the manner in which winnings, compensation from casino gaming, and gross revenue must be computed and reported by a licensee as described in Chapter 5753. of the Revised Code;

~~(18)~~ (15) Prescribing conditions under which a licensee's license may be suspended or revoked as described in section 3772.04 of the Revised Code;

~~(19)~~ (16) Prescribing the manner and procedure of all hearings to be conducted by the commission or by any hearing examiner;

~~(20)~~ (17) Prescribing technical standards and requirements that are to be met by security and surveillance equipment that is used at and standards and requirements to be met by personnel who are employed at casino facilities, and standards and requirements for the provision of security at and surveillance of casino facilities;

~~(21)~~ (18) 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)~~ (19) 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)~~ (20) Defining penalties for violation of commission rules and a process for imposing such penalties;

~~(24)~~ (21) Establishing standards for decertifying contractors that violate statutes or rules of this state or the federal government;

~~(25)~~ (22) Establishing standards for the repair of casino gaming equipment;

~~(26)~~ (23) 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)~~ (24) 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)~~ (25) Providing for any other thing necessary and proper for successful and efficient regulation of casino gaming under this chapter.

(E) The commission shall employ and assign gaming agents as necessary to assist the commission in carrying out the duties of the commission under this chapter and Chapters 2915. ~~and~~ , 3768., 3769., 3770., 3771., 3775., and 3777. of the Revised

Code. In order to maintain employment as a gaming agent, the gaming agent shall successfully complete all continuing training programs required by the commission and shall not have been convicted of or pleaded guilty or no contest to an offense that makes the gaming agent ineligible for appointment or retention under section 3772.07 of the Revised Code.

(F) The commission, as a law enforcement agency, and its gaming agents, as law enforcement officers as defined in section 2901.01 of the Revised Code, shall have authority with regard to the detection and investigation of, the seizure of evidence allegedly relating to, and the apprehension and arrest of persons allegedly committing violations of this chapter or gambling offenses as defined in section 2915.01 of the Revised Code or violations of any other law of this state that may affect the integrity or operation of ~~casino~~ any form of gaming~~, the operation of skill-based amusement machines, or the operation of sports gaming~~ described in division (A) of this section, and shall have access to ~~casino~~ all facilities~~, skill-based amusement machine facilities, and sports gaming facilities~~ used to operate or facilitate any form of gaming described in division (A) of this section to carry out the requirements of this chapter and ~~Chapter~~ Chapters 2915., 3768., 3769., 3770., 3771., 3775., and 3777. of the Revised Code.

(G) The commission may eject or exclude or authorize the ejection or exclusion of and a gaming agent may eject a person from a casino facility for any of the following reasons:

(1) The person's name is on the list of persons voluntarily excluding themselves from all casinos in a program established according to rules adopted by the commission;

(2) The person violates or conspires to violate this

chapter or a rule adopted thereunder; or

(3) The commission determines that the person's conduct or reputation is such that the person's presence within a casino facility may call into question the honesty and integrity of the casino gaming operations or interfere with the orderly conduct of the casino gaming operations.

(H) A person, other than a person participating in ~~a~~ the Ohio voluntary exclusion program, may petition the commission for a public hearing on the person's ejection or exclusion under this chapter.

(I) A casino operator or management company shall have the same authority to eject or exclude a person from the management company's casino facilities as authorized in division (G) of this section. The licensee shall immediately notify the commission of an ejection or exclusion.

(J) The commission shall submit a written annual report with the governor, president and minority leader of the senate, and the speaker and minority leader of the house of representatives before the first day of September each year. The annual report shall cover the previous fiscal year and shall include all of the following:

(1) A statement describing the receipts and disbursements of the commission;

(2) Relevant financial data regarding casino gaming, including gross revenues and disbursements made under this chapter;

(3) Actions taken by the commission;

(4) An update on casino operators', management companies',

and holding companies' compulsive and problem gambling plans and the voluntary exclusion program and list;

(5) Information regarding prosecutions for conduct described in division (H) of section 3772.99 of the Revised Code, including, but not limited to, the total number of prosecutions commenced and the name of each person prosecuted;

(6) Any additional information that the commission considers useful or that the governor, president or minority leader of the senate, or speaker or minority leader of the house of representatives requests.

~~(K) To ensure the integrity of skill-based amusement machine operations, the commission shall have jurisdiction over all persons conducting or participating in the conduct of skill-based amusement machine operations authorized by this chapter and Chapter 2915. of the Revised Code, including the authority to complete the functions of licensing, regulating, investigating, and penalizing those persons in a manner that is consistent with the commission's authority to do the same with respect to casino gaming. To carry out this division, the commission may adopt rules under Chapter 119. of the Revised Code, including rules establishing fees and penalties related to the operation of skill-based amusement machines.~~

~~(L) To ensure the integrity of fantasy contests, the commission shall have jurisdiction over all persons conducting or participating in the conduct of a fantasy contest authorized by Chapter 3774. of the Revised Code, including the authority to license, regulate, investigate, and penalize those persons in a manner that is consistent with the commission's authority to do the same with respect to skill-based amusement machines. To carry out this division, the commission may adopt rules under~~

~~Chapter 119. of the Revised Code, including rules establishing fees and penalties related to the operation of fantasy contests.~~

~~(M) All fees imposed pursuant to the rules adopted under divisions (K) and (L) of this section shall be deposited into the casino control commission fund.~~

Sec. 3772.031. (A)(1) The general assembly finds that the exclusion or ejection of certain persons from ~~casino facilities and from sports~~ gaming is necessary to effectuate the intents and purposes of this chapter and ~~Chapter~~ Chapters 3769., 3770., 3771., and 3775. of the Revised Code and to maintain strict and effective regulation of ~~casino gaming and sports~~ gaming. The general assembly specifically finds that the exclusion from sports gaming of persons who threaten violence or harm against persons who are involved in sporting events, where the threat is related to sports gaming, is necessary to effectuate the intent of Chapter 3775. of the Revised Code and to protect the interests of this state.

(2) The commission, by rule, shall provide for ~~a~~ all of the following:

(a) A list of persons who are to be excluded or ejected from a casino facility ~~and a~~ ;

(b) A list of persons who are to be excluded or ejected from a sports gaming facility and from participating in the play or operation of sports gaming in this state;

(c) A list of persons who are to be excluded or ejected from a track and from participating in the play or operation of video lottery terminal gaming and pari-mutuel wagering on horse racing in this state;

(d) A list of persons who are to be excluded from

participating in the play or operation of internet gambling in this state. ~~Persons~~

(3) Persons included on an exclusion list shall be identified by name and physical description. The commission shall publish the exclusion lists on its web site, and shall transmit a copy of the exclusion lists periodically to casino operators ~~and~~ , sports gaming proprietors, video lottery sales agents, permit holders, and internet gambling operators, as applicable, as they are initially issued and thereafter as they are revised from time to time.

~~(3)~~ (4) A casino operator shall take steps necessary to ensure that all its key gaming employees and ~~casino~~ gaming employees are aware of and understand the casino exclusion list and its function, and that all its key gaming employees and ~~casino~~ gaming employees are kept aware of the content of the casino exclusion list as it is issued and thereafter revised from time to time.

~~(4)~~ (5) A sports gaming proprietor shall take steps necessary to ensure that its appropriate agents and employees are aware of and understand the sports gaming exclusion list and its function, and that all its appropriate agents and employees are kept aware of the content of the sports gaming exclusion list as it is issued and thereafter revised from time to time.

(6) A video lottery sales agent or other permit holder shall take steps necessary to ensure that its appropriate agents and employees are aware of and understand the track exclusion list and its function, and that all its appropriate agents and employees are kept aware of the content of the track exclusion list as it is issued and thereafter revised from time to time. This division does not apply to a permit holder who holds only a

permit issued for a racing meeting at a fair.

(7) An internet gambling operator shall take steps necessary to ensure that its appropriate agents and employees are aware of and understand the internet gambling exclusion list and its function, and that all its appropriate agents and employees are kept aware of the content of the internet gambling exclusion list as it is issued and thereafter revised from time to time.

~~(B)~~ (B)(1) The casino exclusion list may include any person whose presence in a casino facility is determined by the commission to pose a threat to the interests of the state, to achieving the intents and purposes of this chapter, or to the strict and effective regulation of casino gaming. ~~The~~

(2) The sports gaming exclusion list may include any person who, before, during, or after a sporting event, threatens violence or harm against any person who is involved in the sporting event, where the threat is related to sports gaming, or whose presence in a sports gaming facility or whose participation in the play or operation of sports gaming in this state is determined by the commission to pose a threat to the interests of the state, to achieving the intents and purposes of Chapter 3775. of the Revised Code, or to the strict and effective regulation of sports gaming. ~~In~~

(3) The track exclusion list may include any person whose presence at a track is determined by the commission to pose a threat to the interests of the state, to achieving the intents and purposes of this chapter or Chapter 3769. or 3770. of the Revised Code, or to the strict and effective regulation of video lottery terminal gaming or pari-mutuel wagering on horse racing.

(4) The internet gambling exclusion list may include any person whose participation in the play or operation of internet gambling in this state is determined by the commission to pose a threat to the interests of the state, to achieving the intents and purposes of this chapter or Chapter 3771. of the Revised Code, or to the strict and effective regulation of internet gambling.

(C) In determining whether to include a person on an exclusion list, the commission may consider:

(1) Any prior conviction of a crime that is a felony under the laws of this state, another state, or the United States, a crime involving moral turpitude, or a violation of the gaming laws of this state, another state, or the United States; and

(2) A violation, or a conspiracy to violate, any provision of this chapter or Chapter 3769., 3770., 3771., or 3775. of the Revised Code, as applicable, that consists of:

(a) A failure to disclose an interest in a gaming facility or a ~~sports~~ gaming-related person or entity for which the person must obtain a license;

(b) Purposeful evasion of taxes or fees;

(c) A notorious or unsavory reputation that would adversely affect public confidence and trust that ~~casino gaming or sports~~ gaming is free from criminal or corruptive elements; or

(d) A violation of an order of the commission or of any other governmental agency that warrants exclusion or ejection of the person from a casino facility, from a sports gaming facility, from a track, or from participating in the play or operation of ~~sports~~ gaming in this state.

(3) If the person has pending charges or indictments for a gaming or gambling crime or a crime related to the integrity of gaming operations in any state;

(4) If the person's conduct or reputation is such that the person's presence within a casino facility sports gaming facility, or track or in the ~~sports~~ gaming industry in this state may call into question the honesty and integrity of the ~~casino gaming or sports~~ gaming operations or interfere with the orderly conduct of the ~~casino gaming or sports~~ gaming operations;

(5) If the person is a career or professional offender whose presence in a casino facility, sports gaming facility, or track or in the ~~sports~~ gaming industry in this state would be adverse to the interest of licensed gaming in this state;

(6) If the person has a known relationship or connection with a career or professional offender whose presence in a casino facility, sports gaming facility, or track or in the sports gaming industry in this state would be adverse to the interest of licensed gaming in this state;

(7) If the commission has suspended the person's gaming privileges;

(8) If the commission has revoked the person's licenses related to this chapter or Chapter 3769., 3770., 3771., or 3775. of the Revised Code;

(9) If the commission determines that the person poses a threat to the safety of patrons or employees of a casino facility ~~or~~ , a sports gaming facility, or a track;

(10) If the person has threatened violence or harm against a person who is involved in the sporting event, where the threat

was related to sports gaming with respect to that sporting event;

(11) If the person has a history of conduct involving the disruption of gaming operations ~~within a casino facility or in the sports gaming industry~~ in this state.

Race, color, creed, national origin or ancestry, or sex are not grounds for placing a person on an exclusion list.

~~(C)~~ (D) The commission shall notify a person of the commission's intent to include such person on one or ~~both~~ more exclusion lists. The notice shall be provided by personal service, by certified mail to the person's last known address, by commercial carrier utilizing a method of delivery that provides confirmation of delivery, or, if service cannot be accomplished by personal service, certified mail, or commercial carrier, by publication daily for two weeks in a newspaper of general circulation within the county in which the person resides and in a newspaper of general circulation within each county in which a casino facility ~~or~~ , sports gaming facility, or track, as applicable, is located.

~~(D)(1)~~ (E)(1) Except as otherwise provided in this section, a person who receives notice of intent to include the person on an exclusion list is entitled, upon the person's request, to an adjudication hearing under Chapter 119. of the Revised Code, in which the person may demonstrate why the person should not be included on the exclusion list or lists. The person shall request such an adjudication hearing not later than thirty days after the person receives the notice by personal service, certified mail, or commercial carrier, or not later than thirty days after the last newspaper publication of the notice.

(2) If the person does not request a hearing in accordance with division ~~(D)(1)~~ (E)(1) of this section, the commission may, but is not required to, conduct an adjudication hearing under Chapter 119. of the Revised Code. The commission may reopen an adjudication under this section at any time.

(3) If the adjudication hearing, order, or any appeal thereof under Chapter 119. of the Revised Code results in an order that the person should not be included on the exclusion list or lists, the commission shall publish a revised exclusion list that does not include the person. The commission also shall notify ~~casino operators or sports gaming proprietors, as~~ its applicable~~,~~ licensees that the person has been removed from the exclusion list or lists. A casino operator shall take all steps necessary to ensure its key gaming employees and ~~casino~~ gaming employees are made aware that the person has been removed from the casino exclusion list. A sports gaming proprietor, internet gambling operator, or video lottery sales agent or other permit holder, other than a permit holder who holds only a permit issued for a racing meeting at a fair, shall take all steps necessary to ensure its appropriate agents and employees are made aware that the person has been removed from the ~~sports gaming~~ applicable exclusion list.

~~(E)~~(F) This section does not apply to ~~any voluntary exclusion list created as part of a~~ the Ohio voluntary exclusion program ~~under this chapter or Chapter 3775. of the Revised Code~~.

Sec. 3772.04. (A)(1) If the commission concludes that an applicant, licensee, or other person subject to the commission's jurisdiction under this chapter should be fined or penalized, or that a license required by this chapter ~~or~~, Chapter 3769., 3771., 3775., or 3777., or sections 3770.21 to 3770.22 of the

Revised Code should be limited, conditioned, restricted, suspended, revoked, denied, or not renewed, the commission may, and if so requested by the licensee, applicant, or other person, shall, conduct a hearing in an adjudication under Chapter 119. of the Revised Code. After notice and opportunity for a hearing, the commission may fine or penalize the applicant, licensee, or other person or limit, condition, restrict, suspend, revoke, deny, or not renew a license under rules adopted by the commission. The commission may reopen an adjudication under this section 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~~ has done any ~~requirement under this chapter or Chapter 3775.~~ of the ~~Revised Code or a rule adopted thereunder~~ following, ~~or violates or has violated this chapter or Chapter 3775. of the Revised Code or a rule adopted thereunder,~~ the commission may issue an order under division (A)(4) of this section:

(a) Violated or failed to meet any applicable provision of this chapter, Chapter 3769., 3771., 3775., or 3777., or sections 3771.21 to 3771.22 of the Revised Code or any rule adopted

thereunder;

(b) Engaged in any material or intentional misrepresentation or material omission;

(c) Engaged in any fraudulent act;

(d) Failed to cooperate with the commission;

(e) Failed to comply with all the terms and conditions of a settlement agreement or agreed order with the commission and any subsequent amendment or modification;

(f) Failed to comply with the terms and conditions of a commission order or resolution or any subsequent amendment or modification;

(g) Failed to allow the commission access to records as required under this chapter, Chapter 3769., 3771., 3775., or 3777., or sections 3770.21 to 3770.22 of the Revised Code or any rule adopted thereunder, to comply with the terms of a subpoena issued by the commission, or to testify on matters about which the person may be lawfully questioned;

(h) Engaged in any conduct that undermines the integrity of, or public's confidence in, gaming in this state.

(4) Upon making a finding under division (A)(3) of this section, the commission may issue an order doing any of the following:

(a) Limiting, conditioning, restricting, suspending, revoking, denying, or not renewing, a license issued under this chapter or Chapter 3769., 3771., 3775., or 3777. or sections 3770.21 to 3770.22 of the Revised Code;

(b) Requiring a casino facility to exclude a licensee from

the casino facility or requiring a casino facility not to pay to the licensee any remuneration for services or any share of profits, income, or accruals on the licensee's investment in the casino facility; ~~or~~

(c) ~~Fining~~ Restricting the licensee's gaming operations;

(d) Imposing a monetary fine or a monetary civil penalty on a licensee or other person according to the penalties adopted by the commission. If the violation or failure resulted in the unlawful obtainment or retention of any money or property, the commission may impose an additional civil penalty or fine in an amount equal to the value of the money or property that was unlawfully obtained or retained.

(e) Imposing any other discipline on the person to which the person agrees.

~~(4)~~ (5) A key gaming employee or gaming employee whose employment has been terminated remains subject to this section.

(6) The commission may find that multiple violations or failures occurred within a single day if each violation or failure was the result of a separate and distinct act.

(7) The commission may hold applicants, licensees, or other persons jointly and severally liable for a violation or failure.

(8) An order may be judicially reviewed under section 119.12 of the Revised Code.

(B) Without in any manner limiting the authority of the commission to impose the level and type of discipline the commission considers appropriate, the commission may take into consideration the following:

(1) If the licensee knew or reasonably should have known that the action complained of was a violation of any law, rule, or condition on the licensee's license;

(2) If the licensee has previously been disciplined by the commission;

(3) If the licensee has previously been subject to discipline by the commission concerning the violation of any law, rule, or condition of the licensee's license;

(4) If the licensee reasonably relied upon professional advice from a lawyer, doctor, accountant, or other recognized professional that was relevant to the action resulting in the violation;

(5) If the licensee or the licensee's employer had a reasonably constituted and functioning compliance program;

(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;

(7) If the licensee realized a pecuniary gain from the violation;

(8) If the amount of any fine or other penalty imposed would result in disgorgement of any gains unlawfully realized by the licensee;

(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;

(10) If the individual who caused the violation acted

within the scope of the individual's authority as granted by the licensee;

(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;

(12) If the licensee's action substantially deviated from industry standards and customs;

(13) The extent to which the licensee cooperated with the commission during the investigation of the violation;

(14) If the licensee has initiated remedial measures to prevent similar violations;

(15) The magnitude of penalties imposed on other licensees for similar violations;

(16) The proportionality of the penalty in relation to the misconduct;

(17) The extent to which the amount of any fine imposed would punish the licensee for the conduct and deter future violations;

(18) The risk to the public and to the integrity of gaming in this state;

(19) Any mitigating factors offered by the licensee; and

~~(19)~~ (20) Any other factors the commission considers relevant.

(C) For the purpose of conducting any study or investigation, the commission may direct that public hearings be held at a time and place, prescribed by the commission, in accordance with section 121.22 of the Revised Code. The

commission shall give notice of all public hearings in such manner as will give actual notice to all interested parties.

(D)(1) For the purpose of conducting the hearing in an adjudication under division (A) of this section, or in the discharge of any duties imposed by this chapter or Chapter 3769., 3770., 3771., 3775., or 3777. of the Revised Code, the commission may require that testimony be given under oath and administer such oath, issue subpoenas compelling the attendance of witnesses and the production of any papers, books, and accounts, directed to the sheriffs of the counties where such witnesses or papers, books, and accounts are found and cause the deposition of any witness. The subpoenas shall be served and returned in the same manner as subpoenas in criminal cases are served and returned. The fees of sheriffs shall be the same as those allowed by the court of common pleas in criminal cases.

(2) In the event of the refusal of any person without good cause to comply with the terms of a subpoena issued by the commission or refusal to testify on matters about which the person may lawfully be questioned, the prosecuting attorney of the county in which such person resides, upon the petition of the commission, may bring a proceeding for contempt against such person in the court of common pleas of that county.

(3) Witnesses shall be paid the fees and mileage provided for in section 119.094 of the Revised Code.

(4) All fees and mileage expenses incurred at the request of a party shall be paid in advance by the party.

(E) When conducting a public hearing, the commission shall not limit the number of speakers who may testify. However, the commission may set reasonable time limits on the length of an

individual's testimony or the total amount of time allotted to proponents and opponents of an issue before the commission.

(F) The commission may rely, in whole or in part, upon investigations, conclusions, or findings of other ~~casino gaming or sports~~ gaming commissions, as applicable, or other government regulatory bodies in connection with licensing, investigations, or other matters relating to an applicant or licensee under this chapter.

(G) Notwithstanding anything to the contrary in this chapter or Chapter 3769., 3770., 3771., 3775., or 3777. of the Revised Code, and except with respect to a license issued under this chapter to a casino operator, management company, or holding company, the executive director may issue an emergency order for the suspension, limitation, or conditioning of any license, registration, approval, or certificate issued, approved, granted, or otherwise authorized by the commission under Chapter 3769., 3770., 3771., 3772. ~~or~~ , 3775., or 3777. of the Revised Code or the rules adopted thereunder, requiring the inclusion of persons on ~~the casino~~ an exclusion list ~~or sports gaming exclusion list~~ provided for under section 3772.031 of the Revised Code ~~or Chapter 3775. of the Revised Code~~ and the rules adopted thereunder, and requiring a casino facility not to pay a licensee, registrant, or approved or certified person any remuneration for services or any share of profits, income, or accruals on that person's investment in the casino facility.

(1) An emergency order may be issued when the executive director finds either of the following:

(a) A licensee, registrant, or approved or certified person has been charged with a violation of any of the criminal laws of this state, another state, or the federal government;

(b) Such an action is necessary to prevent a violation of this chapter or Chapter 3769., 3770., 3771., 3775., or 3777. of the Revised Code or a rule adopted thereunder.

(2) An emergency order issued under division (G) of this section shall state the reasons for the commission's action, cite the law or rule directly involved, and state that the party will be afforded a hearing if the party requests it within thirty days after the time of mailing or personal delivery of the order.

(3)(a) Not later than the next business day after the issuance of the emergency order, the order shall be sent by registered or certified mail, return receipt requested, or by commercial carrier utilizing any form of delivery requiring a signed receipt, to the party at the party's last known mailing address appearing in the commission's records or personally delivered at any time to the party by an employee or agent of the commission.

(b) A copy of the order shall be mailed or an electronic copy provided to the attorney or other representative of record representing the party.

(c) If the order sent by registered or certified mail or by commercial carrier is returned because the party fails to claim the order, the commission shall send the order by ordinary mail to the party at the party's last known address and shall obtain a certificate of mailing. Service by ordinary mail is complete when the certificate of mailing is obtained unless the order is returned showing failure of delivery.

(d) If the order sent by commercial carrier or registered, certified, or ordinary mail is returned for failure of delivery,

the commission shall either make personal delivery of the order by an employee or agent of the commission or cause a summary of the substantive provisions of the order to be published once a week for three consecutive weeks in a newspaper of general circulation in the county where the last known address of the party is located.

(i) Failure of delivery occurs only when a mailed order is returned by the postal authorities or commercial carrier marked undeliverable, address or addressee unknown, or forwarding address unknown or expired.

(ii) When service is completed by publication, a proof of publication affidavit, with the first publication of the summary set forth in the affidavit, shall be mailed by ordinary mail to the party at the party's last known address and the order shall be deemed received as of the date of the last publication.

(e) Refusal of delivery of the order sent by mail or personally delivered to the party is not failure of delivery and service is deemed to be complete.

(4) The emergency order shall be effective immediately upon service of the order on the party. The emergency order shall remain effective until further order of the executive director or the commission.

(5) The commission may, and if so requested by the person affected by the emergency order shall, promptly conduct a hearing in an adjudication under Chapter 119. of the Revised Code.

(H)(1) A person whose license under this chapter, Chapter 3769., 3771., 3775., or 3777., or sections 3770.21 to 3770.22 of the Revised Code is denied or revoked is ineligible to apply for

a license under this chapter, Chapter 3769., 3771., 3775., or 3777., or sections 3770.21 to 3770.22 of the Revised Code for a period of three years after the date of the denial or revocation.

(2) Division (H)(1) of this section does not apply to either of the following:

(a) A person who withdraws the person's license application with the approval of the executive director of the commission before the license is denied;

(b) A person who is not issued a license solely due to a limit on the number of available licenses.

Sec. 3772.062. (A)(1) The executive director of the commission shall enter into an agreement with the department of mental health and addiction services under which the department provides a program of problem gambling and addiction services~~, including services to alleviate problem sports gaming,~~ on behalf of the commission.

(2) The commission shall use the moneys in the problem ~~sports gaming~~ gambling fund established under section 5753.031 of the Revised Code for the purpose of paying the costs of program services to alleviate problem ~~sports gaming~~ gambling in this state.

(B) The executive director of the commission, in conjunction with the department of mental health and addiction services and the state lottery commission, shall establish, operate, and publicize an in-state, toll-free telephone number Ohio residents may call to obtain basic information about problem gambling, the gambling addiction services available to problem gamblers, and how a problem gambler may obtain help. The

telephone number shall be staffed twenty-four hours per day, seven days a week, to respond to inquiries and provide that information. The costs of establishing, operating, and publicizing the telephone number shall be paid for with money in the problem casino gambling and addictions fund.

Sec. 3772.07. The following appointing or licensing authorities shall obtain a criminal records check of the person who is to be appointed or licensed:

(A) The governor, before appointing an individual as a member of the commission;

(B) The commission, before appointing an individual as executive director or a gaming agent;

(C) The commission, before issuing a license for a key gaming employee or ~~casino~~ gaming employee, and before issuing a license for each investor, except an institutional investor, for a casino operator, management company, holding company, or gaming-related vendor;

(D) The executive director, before appointing an individual as a professional, technical, or clerical employee of the commission.

Thereafter, such an appointing or licensing authority shall obtain a criminal records check of the same individual at three-year intervals.

The appointing or licensing authority shall make available to each person of whom a criminal records check is required a copy of the form and the standard fingerprint impression sheet prescribed under divisions (C)(1) and (2) of section 109.572 of the Revised Code. The person shall complete the form and impression sheet and return them as directed by the appointing

or licensing authority. If a person fails to complete and return the form and impression sheet within a reasonable time, the person is ineligible to be appointed or licensed or to continue in the appointment or licensure.

The appointing or licensing authority shall cause the completed form and impression sheet to be forwarded to the superintendent of the bureau of criminal identification and investigation. The appointing or licensing authority shall request the superintendent also to obtain information from the federal bureau of investigation, including fingerprint-based checks of the national crime information databases, and from other states and the federal government under the national crime prevention and privacy compact as part of the criminal records check.

For all criminal records checks conducted under this section, the applicant for a casino operator, management company, holding company, or gaming-related vendor~~, key employee, or casino gaming employee~~ license shall pay the fee charged by the bureau of criminal identification and investigation or by a vendor approved by the bureau to conduct a criminal records check based on the applicant's fingerprints in accordance with division (A)(15) of section 109.572 of the Revised Code. ~~If the applicant for a key employee or casino gaming employee license is applying at the request of a casino operator, management company, holding company, or gaming-related vendor, the casino operator, management company, holding company, or gaming-related vendor shall pay the fee charged for all criminal records checks conducted under this section.~~

The appointing or licensing authority shall review the results of a criminal records check. An appointee for a

commission member shall forward the results of the criminal records check to the president of the senate before the senate advises and consents to the appointment of the commission member. The appointing authority shall not appoint or retain the appointment of a person a criminal records check discloses has been convicted of or has pleaded guilty or no contest to any gambling offense, any theft offense, any offense having an element of fraud or misrepresentation, any offense having an element of moral turpitude, and any felony not otherwise included in the foregoing list, except as otherwise provided in section 3772.10 of the Revised Code. The licensing authority shall not license a person if a criminal records check discloses that the person has been convicted of a disqualifying offense. As used in this section, "disqualifying offense" means a disqualifying offense as determined by the licensing authority under section 9.79 of the Revised Code.

The report of a criminal records check is not a public record that is open to public inspection and copying. The commission shall not make the report available to any person other than the person who was the subject of the criminal records check; an appointing or licensing authority; a member, the executive director, or an employee of the commission; or any court or agency, including a hearing examiner, in a judicial or administrative proceeding relating to the person's employment or application for a license under this chapter.

Sec. 3772.09. (A) No casino operator, management company, holding company, gaming-related vendor, key gaming employee, or ~~casino~~ gaming employee shall conduct or participate in conducting casino gaming without first obtaining a license from the commission.

(B) Before a licensed casino operator may conduct casino gaming at a casino facility, a licensed casino operator shall engage a third-party engineering or accounting firm to certify expenses of its initial investment, as required by section 3772.27 of the Revised Code, and provide documentation to the commission. The third-party engineering or accounting firm shall be approved by the commission and shall certify expenses in accordance with rules adopted by the commission under section 3772.03 of the Revised Code. The commission may request the department of administrative services to assist the commission in carrying out its duties under this section.

Sec. 3772.091. (A) No license issued under this chapter is transferable. Except as provided in division (B) of this section, new majority ownership interest or control of a licensee shall require a new license. The commission may reopen a licensing investigation at any time. A significant change in or transfer of control, as determined by the commission, shall require the filing of an application for a new license and submission of a license fee with the commission before any such change or transfer of control is approved. A change in or transfer of control to an immediate family member is not considered a significant change under this section.

(B) An initial license shall not be considered transferred, and a new license shall not be required, when an initial licensee that is licensed before June 1, 2013, does or has done both of the following:

(1) Obtains a majority ownership interest in, or a change in or transfer of control of, another initial licensee for the same casino facility; and

(2) Was investigated under this chapter as a parent,

affiliate, subsidiary, key gaming employee, or partner, or joint venturer with another initial licensee that has held for the same casino facility a majority ownership interest in or control of the initial license when the initial license was issued and when such an initial licensee obtains a majority ownership interest in or a change in or transfer of control.

(C) As used in this section:

(1) "Control" means either of the following:

(a) Either:

(i) Holding fifty per cent or more of the outstanding voting securities of a licensee; or

(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.

(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.

(2) "Initial license" means the first plenary license issued to an initial licensee.

(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.

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, except as provided in division (D) of this section, consider all of the following, as applicable:

(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;

(2) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance and to provide an adequate surety bond;

(3) The past and present compliance of the applicant and its affiliates or affiliated companies with casino-related licensing requirements in this state or any other jurisdiction, including whether the applicant has a history of noncompliance with the casino licensing requirements of any jurisdiction;

(4) If the applicant has been indicted, convicted, pleaded guilty or no contest, or forfeited bail concerning any criminal offense under the laws of any jurisdiction, either felony or misdemeanor, not including traffic violations;

(5) If the applicant has filed, or had filed against it a proceeding for bankruptcy or has ever been involved in any formal process to adjust, defer, suspend, or otherwise work out the payment of any debt;

(6) If the applicant has been served with a complaint or other notice filed with any public body regarding a payment of any tax required under federal, state, or local law that has been delinquent for one or more years;

(7) If the applicant is or has been a defendant in

litigation involving its business practices;

(8) If awarding a license would undermine the public's confidence in the casino gaming industry in this state;

(9) If the applicant meets other standards for the issuance of a license that the commission adopts by rule, which shall not be arbitrary, capricious, or contradictory to the expressed provisions of this chapter.

(B) All applicants for a license under this chapter shall establish their suitability for a license by clear and convincing evidence. If the commission determines that a person is eligible under this chapter to be issued a license as a casino operator, management company, holding company, ~~key employee, casino gaming employee,~~ or gaming-related vendor, the commission shall issue such license for not more than three years, as determined by commission rule, if all other requirements of this chapter have been satisfied.

(C) The commission shall not, except as provided in division (D) of this section, issue a casino operator, management company, holding company, ~~key employee, casino gaming employee,~~ or gaming-related vendor license under this chapter to an applicant if:

(1) The applicant has been convicted of a disqualifying offense, as defined in section 3772.07 of the Revised Code.

(2) The applicant has submitted an application for license under this chapter that contains false information.

(3) The applicant is a commission member.

(4) The applicant owns an ownership interest that is unlawful under this chapter, unless waived by the commission.

(5) The applicant violates specific rules adopted by the commission related to denial of licensure.

(6) The applicant is a member of or employed by a gaming regulatory body of a governmental unit in this state, another state, or the federal government, or is an employee of a governmental unit of this state and in that capacity has significant influence or control, as determined by the commission, over the ability of a casino operator, management company, holding company, institutional investor, or gaming-related vendor to conduct business in this state. This division does not prohibit a casino operator or management company from hiring special duty law enforcement officers if the officers are not specifically involved in gaming-related regulatory functions.

(7) The commission otherwise determines the applicant is ineligible for the license.

(D) The commission shall not refuse to issue a license to an applicant because the applicant was convicted of or pleaded guilty to an offense unless the refusal is in accordance with section 9.79 of the Revised Code.

(E)(1) The commission shall investigate the qualifications of each applicant under this chapter before any license is issued and before any finding with regard to acts or transactions for which commission approval is required is made. The commission shall continue to observe the conduct of all licensees and all other persons having a material involvement directly or indirectly with a casino operator, management company, or holding company to ensure that licenses are not issued to or held by, or that there is not any material involvement with a casino operator, management company, or

holding company by, an unqualified, disqualified, or unsuitable person or a person whose operations are conducted in an unsuitable manner or in unsuitable or prohibited places or locations.

(2) The executive director may recommend to the commission that it deny any application, or limit, condition, or restrict, or suspend or revoke, any license or finding, or impose any fine upon any licensee or other person according to this chapter and the rules adopted thereunder.

(3) A license issued under this chapter is a revocable privilege. No licensee has a vested right in or under any license issued under this chapter. The initial determination of the commission to deny, or to limit, condition, or restrict, a license may be appealed under section 2505.03 of the Revised Code.

(4) In reviewing an application for a license under this chapter, the commission may rely on or consider the last investigation it conducted concerning the applicant, or the last license it issued to the applicant, under this chapter or Chapter 3770., 3771., or 3775. of the Revised Code.

(F)(1) An institutional investor may be found to be suitable or qualified by the commission under this chapter and the rules adopted under this chapter. An institutional investor shall be presumed suitable or qualified upon submitting documentation sufficient to establish qualifications as an institutional investor and upon certifying all of the following:

(a) The institutional investor owns, holds, or controls securities issued by a licensee or holding, intermediate, or parent company of a licensee or in the ordinary course of

business for investment purposes only.

(b) The institutional investor does not exercise influence over the affairs of the issuer of such securities nor over any licensed subsidiary of the issuer of such securities.

(c) The institutional investor does not intend to exercise influence over the affairs of the issuer of such securities, nor over any licensed subsidiary of the issuer of such securities, in the future, and that it agrees to notify the commission in writing within thirty days if such intent changes.

(2) The exercise of voting privileges with regard to securities shall not be deemed to constitute the exercise of influence over the affairs of a licensee.

(3) The commission shall rescind the presumption of suitability for an institutional investor at any time if the institutional investor exercises or intends to exercise influence or control over the affairs of the licensee.

(4) This division shall not be construed to preclude the commission from requesting information from or investigating the suitability or qualifications of an institutional investor if:

(a) The commission becomes aware of facts or information that may result in the institutional investor being found unsuitable or disqualified; or

(b) The commission has any other reason to seek information from the investor to determine whether it qualifies as an institutional investor.

(5) If the commission finds an institutional investor to be unsuitable or unqualified, the commission shall so notify the investor and the casino operator, holding company, management

company, or gaming-related vendor licensee in which the investor invested. The commission shall allow the investor and the licensee a reasonable amount of time, as specified by the commission on a case-by-case basis, to cure the conditions that caused the commission to find the investor unsuitable or unqualified. If during the specified period of time the investor or the licensee does not or cannot cure the conditions that caused the commission to find the investor unsuitable or unqualified, the commission may allow the investor or licensee more time to cure the conditions or the commission may begin proceedings to deny, suspend, or revoke the license of the casino operator, holding company, management company, or gaming-related vendor in which the investor invested or to deny any of the same the renewal of any such license.

(6) A private licensee or holding company shall provide the same information to the commission as a public company would provide in a form 13d or form 13g filing to the securities and exchange commission.

(G) Information provided on the application shall be used as a basis for a thorough background investigation of each applicant. A false or incomplete application is cause for denial of a license by the commission. All applicants and licensees shall consent to inspections, searches, and seizures and to the disclosure to the commission and its agents of confidential records, including tax records, held by any federal, state, or local agency, credit bureau, or financial institution and to provide handwriting exemplars, photographs, fingerprints, and information as authorized in this chapter and in rules adopted by the commission.

(H) The commission shall provide a written statement to

each applicant for a license under this chapter who is denied the license that describes the reason or reasons for which the applicant was denied the license.

(I) Not later than January 31 in each calendar year, the commission shall provide to the general assembly and the governor a report that, for each type of license issued under this chapter, specifies the number of applications made in the preceding calendar year for each type of such license, the number of applications denied in the preceding calendar year for each type of such license, and the reasons for those denials. The information regarding the reasons for the denials shall specify each reason that resulted in, or that was a factor resulting in, denial for each type of license issued under this chapter and, for each of those reasons, the total number of denials for each such type that involved that reason.

Sec. 3772.113. (A) An applicant or licensee under this chapter or Chapter 3769., 3771., or 3775. or sections 3770.21 to 3770.22 of the Revised Code shall notify the commission in writing within ten days of any material change to any information the person provided in an application for an initial or renewed license, including all of the following:

(1) Any change of name;

(2) Any change of home or business address;

(3) Any change of primary telephone number or electronic mail address;

(4) Any change to the person's state of incorporation or principal place of business;

(5) Any change in the ownership or control of the person;

(6) Any bankruptcy filed, discharged, or dismissed;

(7) Any arrest, charge, plea, or conviction for any crime or offense occurring in any jurisdiction, excluding minor misdemeanor traffic offenses;

(8) Any investigation commenced by or action filed by a gaming regulatory agency or government gaming authority, except for routine renewal application reviews;

(9) Any rejection, suspension, revocation, or denial of any gaming-related application or license, and any fine, penalty, or settled amount related to any gaming-related license imposed upon or agreed to in any jurisdiction;

(10) Any other changes designated on an applicable update form prescribed by the commission;

(11) Any other information affecting the person's suitability for the license;

(12) Any other information required by the commission by rule.

(B)(1) A licensee that is not an individual shall display its license conspicuously in its place of business or shall make the license available for inspection by the commission or any law enforcement agency upon request.

(2) A key gaming employee or gaming employee who is present at a track, casino facility, or sports gaming facility shall prominently display evidence of the person's license, in a manner determined by the commission, while actively performing the person's duties.

Sec. 3772.13. (A) ~~No person may be employed as a key employee of a casino operator, management company, or holding~~

~~company unless the person is the holder of a valid key employee license issued by the commission.~~ Any executive, employee, agent, or other individual who, as determined by the commission, has the power to exercise significant influence over decisions concerning any part of the operation of a person that is licensed as any of the following shall hold a valid key gaming employee license issued by the commission:

(1) A permit holder, management services company, or totalizator company, for purposes of operating under Chapter 3769. of the Revised Code;

(2) A video lottery sales agent, for purposes of operating under sections 3770.21 to 3770.22 of the Revised Code;

(3) An internet gambling operator, internet gambling management company, or internet gambling supplier, for purposes of operating under Chapter 3771. of the Revised Code;

(4) A casino operator, management company, or gaming-related vendor or a holding company of a casino operator, management company, or gaming-related vendor, for purposes of operating under this chapter;

(5) A sports gaming proprietor other than a professional sports organization, a mobile management services provider, a management services provider, or a sports gaming supplier, for purposes of operating under Chapter 3775. of the Revised Code.

(B) No person may be employed as a key employee of a gaming-related vendor unless that person is either the holder of a valid key gaming employee license issued by the commission, or the person, at least five business days prior to the first day of employment as a key employee, has filed a notification of employment with the commission and subsequently files a

completed application for a key gaming employee license within the first thirty days of employment as a key employee.

(C) Each applicant for a key gaming employee license shall~~, before the issuance of any key employee license,~~ produce the 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.

(D) To be eligible for a key gaming 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.

(E) Each application for a key gaming 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 and telephone number of the ~~casino operator, management company, holding company, or gaming-related vendor~~ person 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.

(F) Each applicant shall submit with each application, on a form provided by the commission, two sets of fingerprints. The commission shall charge ~~each applicant an~~ the applicant's employer the fee required under division (C)(3) of section 109.572 of the Revised Code, along with a nonrefundable application fee of ~~not more than~~ one ~~thousand seven~~ hundred ~~fifty~~ dollars~~, as set by the commission, to cover the actual costs generated by each licensee and the background checks under this section and section 3772.07 of the Revised Code~~. Upon issuing the license, the commission shall charge the applicant's employer a nonrefundable license fee of fifty dollars.

(G)(1) The ~~casino operator, management company, or holding company~~ person by whom a person is employed as a key gaming employee shall terminate the person's employment in any capacity requiring a key gaming employee license ~~under this chapter~~ and shall not in any manner permit the person to exercise a significant influence over the ~~operation of a casino facility~~ person's operations if:

(a) The person does not apply for and receive a key gaming employee license within three months of being issued a provisional license, as established under commission rule.

(b) The person's application for a key gaming employee license is denied by the commission.

(c) The person's key gaming employee license is revoked by the commission.

The commission shall notify the ~~casino operator, management company, or holding company who employs such a person~~ employer by certified mail, personal service, common carrier

service utilizing any form of delivery requiring a signed receipt or by an electronic means that provides evidence of delivery, of any such finding, denial, or revocation.

(2) ~~A casino operator, management company, or holding company~~ An employer shall not pay to a person whose employment is terminated under division (G)(1) of this section, any remuneration for any services performed in any capacity in which the person is required to be licensed as a key gaming employee, except for amounts due for services rendered before notice was received under that division. A contract or other agreement for personal services or for the conduct of any ~~casino~~ gaming ~~at a casino facility~~ between ~~a casino operator, management company, or holding company~~ an employer and a person whose employment is terminated under division (G)(1) of this section may be terminated by the ~~casino operator, management company, or holding company~~ employer without further liability on the part of the ~~casino operator, management company, or holding company~~ employer. Any such contract or other agreement is deemed to include a term authorizing its termination without further liability on the part of the ~~casino operator, management company, or holding company~~ employer upon receiving notice under division (G)(1) of this section. That a contract or other agreement does not expressly include such a term is not a defense in any action brought to terminate the contract or other agreement, and is not grounds for relief in any action brought questioning termination of the contract or other agreement.

(3) A ~~casino operator, management company, or holding company~~ person described in divisions (A)(1) to (5) of this section, without having obtained the prior approval of the commission, shall not enter into any contract or other agreement with a person who has been found unsuitable, who has been denied

a key gaming employee license, or whose license has been revoked under division (G)(1) of this section, or with any business enterprise under the control of such a person, after the date on which the ~~casino operator, management company, or holding company~~ person described in divisions (A)(1) to (5) of this section receives notice under that division.

(H) Notwithstanding the requirements for a license under this section, the commission shall issue a key gaming employee license in accordance with Chapter 4796. of the Revised Code to an applicant if either of the following applies:

(1) The applicant holds a license in another state.

(2) The applicant has satisfactory work experience, a government certification, or a private certification as described in that chapter as a key gaming employee ~~of a casino operator, management company, or holding company~~ in a state that does not issue that license.

(I) A key gaming employee license is valid for a term of three years. In order to renew a key gaming employee license, the licensee shall apply to the commission for a renewed license in the same manner as for an initial license, except as otherwise provided by the commission by rule.

(J) An individual who is required under this section to hold a key gaming employee license by reason of the individual's role with respect to more than one type of gaming is required to hold only one key gaming employee license.

Sec. 3772.131. (A) ~~All casino gaming employees are required to have~~ An individual whose duties are such that the individual has the ability to alter material aspects of pari-mutuel wagering on horse racing, video lottery terminal gaming,

internet gambling, casino gaming, or sports gaming, including any of the following duties, shall hold a ~~casino~~ valid gaming employee license~~. "Casino gaming employee" means the following and their supervisors~~ issued by the commission at all times:

(1) ~~Individuals involved in operating~~ Operating a casino gaming pit or casino games, including dealers, shills, clerks, hosts, and junket representatives;

(2) ~~Individuals involved in handling~~ Accepting wagers of any kind;

(3) Handling money as part of a gaming operation, including cashiers, change persons, count teams, and coin wrappers;

~~(3) Individuals involved in operating casino games;~~

~~(4) Individuals involved in operating~~ Operating and maintaining slot machines, including mechanics, floor persons, and change and payoff persons, or operating and maintaining a totalizator, video lottery terminal, internet gambling equipment, or sports gaming equipment;

~~(5) Individuals involved in~~ (4) Providing security for any gaming operation, including guards and game observers, other than providing general security at a type C sports gaming host's facility;

~~(6) Individuals with~~ (5) Performing duties similar to those described in divisions (A)(1) to ~~(5)~~ (4) of this section ~~or other persons~~ ;

(6) Performing other duties, as the commission determines. ~~"Casino gaming employee" does not include an~~

(B)(1) An individual ~~whose~~ is not required to have a

gaming employee license if the individual has a key gaming employee license.

(2) An individual is not required to have a gaming employee license if the individual's duties are related solely to nongaming activities such as entertainment, hotel operation, maintenance, or preparing or serving food and beverages, including an individual who is, or is employed by, a type C sports gaming host.

~~(B)~~ (C) The commission may issue a ~~casino~~ gaming employee license to an applicant after it has determined that the applicant is eligible for a license under rules adopted by the commission and paid any applicable fee set by the commission by rule in the amount necessary to cover the commission's costs associated with the review of the application. The applicant's employer shall pay all application and license fees on behalf of the applicant. All applications shall be certified as true.

~~(C)~~ (D) To be eligible for a ~~casino~~ gaming employee license, an applicant shall be at least twenty-one years of age.

~~(D)~~ (E) Each application for a ~~casino~~ gaming 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.

~~(E)~~ (F) Each applicant shall submit with each application, on a form provided by the commission, two sets of the applicant's fingerprints. The commission shall charge ~~each applicant an application~~ the applicant's employer the fee ~~to cover all actual costs generated by each licensee and all background checks~~ required under division (C)(3) of section 109.572 of the Revised Code, along with a nonrefundable application fee of one hundred dollars. Upon issuing the license, the commission shall charge the applicant's employer a nonrefundable license fee of fifty dollars.

~~(F)~~ (G) Notwithstanding the requirements for a license under this section, the commission shall issue a ~~casino~~ gaming employee license in accordance with Chapter 4796. of the Revised Code to an applicant if either of the following applies:

(1) The applicant holds a license in another state.

(2) The applicant has satisfactory work experience, a government certification, or a private certification as described in that chapter as a casino gaming employee in a state that does not issue that license.

(H) A gaming employee license is valid for a term of three years. In order to renew a gaming employee license, the licensee shall apply to the commission for a renewed license in the same manner as for an initial license, except as otherwise provided by the commission by rule.

(I) An individual who is required under this section to hold a gaming employee license by reason of the individual's duties with respect to more than one type of gaming is required to hold only one gaming employee license.

Sec. 3772.132. (A) An applicant for a key gaming employee

or gaming employee license shall establish the applicant's suitability for the license by clear and convincing evidence.

(B) The commission shall not grant a key gaming employee or gaming employee license to an applicant if evidence satisfactory to the commission exists that the applicant has done any of the following:

(1) Knowingly made a false statement to the commission;

(2) Been suspended from operating a gambling game, gaming device, or gaming operation, or had a license revoked by any governmental unit of a national, state, or local body exercising governmental functions;

(3) Been convicted of a disqualifying offense, as defined in section 3772.07 of the Revised Code;

(4) Been directly involved in or employed by any offshore wagering market that illegally serviced the United States or otherwise accepted illegal wagers from individuals located in the United States on or after April 16, 2015.

(C) The commission shall not grant a key gaming employee or gaming employee license to an individual to whom any of the following apply:

(1) The individual is under twenty-one years of age;

(2) The individual is a member or employee of the commission or of the state lottery commission;

(3) The individual is a member or employee of a gaming regulatory body of another state or the federal government;

(4) The individual is an employee of a governmental unit of this state who, in that capacity, has significant influence

or control, as determined by the commission, over the ability of a person described in divisions (A)(1) to (5) of section 3772.13 of the Revised Code to conduct business in this state. This division does not prohibit a special duty law enforcement officer from receiving a gaming employee license if the officer is not specifically involved in gaming-related regulatory functions.

(5) The commission otherwise determines the individual is ineligible for the license.

(D) In determining whether to grant, maintain, or renew a key gaming employee or gaming employee license, the commission shall evaluate and consider all of the following factors:

(1) Whether the individual possesses good character, honesty, and integrity;

(2) Whether the individual possesses financial stability, integrity, and responsibility;

(3) The criminal history of the individual in any jurisdiction;

(4) Whether the individual has filed or had filed against the individual a proceeding for bankruptcy or has ever been involved in any formal process to adjust, defer, suspend, or otherwise resolve the payment of any debt in the last ten years;

(5) Whether the individual has been served with a complaint or other notice filed with any public body regarding any payment of tax required under federal, state, or local law that has been delinquent for one or more years in the last ten years;

(6) Whether the individual is a party to any currently

pending litigation or has been a defendant in litigation during the last ten years;

(7) The extent to which the individual has cooperated with the commission in connection with the background investigation;

(8) The extent to which the individual has provided accurate and complete information as required by the commission;

(9) Whether the individual has been issued a comparable license in another jurisdiction with similar licensing requirements, as determined by the commission, including the individual's related compliance history;

(10) The extent to which the individual has complied with the requirements of the Revised Code with respect to gaming and the rules adopted thereunder.

(E) In reviewing an application for a license, the commission may rely on or consider the last investigation it conducted concerning the applicant, or the last license it issued to the applicant, under this chapter or Chapter 3770., 3771., or 3775. of the Revised Code.

Sec. 3772.15. (A) Unless a license issued under this chapter is suspended, expires, or is revoked, the license shall be renewed for three years, as determined by commission rule, after a determination by the commission that the licensee is in compliance with this chapter and rules authorized by this chapter and after the licensee pays a fee. The commission may assess the license renewal applicant a reasonable fee in the amount necessary to cover the commission's costs associated with the review of the license renewal application.

(B) A licensee shall undergo a complete investigation at least every three years, as determined by commission rule, to

determine that the licensee remains in compliance with this chapter.

(C) Notwithstanding division (B) of this section, the commission may investigate a licensee at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this section.

(D) The holder of a license shall bear the cost of an investigation, except that the employer shall pay the investigation cost for key gaming employees and ~~casino~~ gaming employees ~~who are employed by a casino operator, in which case the casino operator shall pay the investigation cost~~.

Sec. 3772.16. (A) Any information concerning the following submitted, collected, or gathered as part of an application to the commission for a license under this chapter is confidential and not subject to disclosure by any state agency or political subdivision as a record under section 149.43 of the Revised Code:

(1) A minor child of an applicant;

(2) The social security number, passport number, or federal tax identification number of an applicant or the spouse of an applicant;

(3) The home address and telephone number of an applicant or the spouse or dependent of an applicant;

(4) An applicant's birth certificate;

(5) The driver's license number of an applicant or the applicant's spouse;

(6) The name or address of a previous spouse of the applicant;

(7) The date of birth of the applicant and the spouse of an applicant;

(8) The place of birth of the applicant and the spouse of an applicant;

(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;

(10) Any information concerning a victim of domestic violence, sexual assault, or stalking;

(11) The electronic mail address of the spouse or family member of the applicant;

(12) Any trade secret, medical records, and patents or exclusive licenses;

(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;

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

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

(1) The information provided under this chapter concerning a licensee or an applicant;

(2) The amount of the wagering tax and admission tax paid daily to the state by a licensed applicant or an operating agent; and

(3) A copy of a letter providing the reasons for the denial of an applicant's license or an operating agent's contract and a copy of a letter providing the reasons for the commission's refusal to allow an applicant to withdraw the applicant's application, but with confidential information redacted if that information is the reason for the denial or refusal to withdraw.

(C) 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 license under this chapter is not confidential. The reason for denial or revocation of a license or for disciplinary action against the individual and information submitted by the individual for a felony waiver request is not confidential. The cover sheet completed by an applicant for a key gaming employee license under section 3772.13 of the Revised Code is not confidential.

(D) An individual who holds, held, or has applied for a license under this chapter may waive the confidentiality requirements of division (A) of this section.

(E) 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 referenced in this division with, or disclose the information to, the inspector general, any appropriate

prosecuting authority, any law enforcement agency, or any other appropriate governmental or licensing agency, if the agency that receives the information complies with the same requirements regarding confidentiality as those with which the commission must comply.

Sec. 3772.17. (A) The upfront license fee to obtain a license as a casino operator shall be fifty million dollars per casino facility and shall be paid upon each casino operator's filing of its casino operator license application with the commission. The upfront license fee, once paid to the commission, shall be deposited into the economic development programs fund, which is created in the state treasury.

(B) New casino operator, management company, and holding company license and renewal license fees shall be set by rule. 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 and the applicant for a license as a management company or holding company was reviewed for suitability as part of the investigation of the casino operator, only one license fee shall be assessed against both applicants for that casino facility.

(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.

(D) The license fees for a gaming-related vendor shall be set by rule. Additionally, the commission may assess an applicant a reasonable fee in the amount necessary to process a gaming-related vendor license application.

~~(E) The license fees for a key employee shall be set by rule. 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.~~

~~(F) The license fees for a casino gaming employee shall be set by rule. If the license is being sought at the request of a casino operator, the fee shall be paid by the casino operator.~~

Sec. 3772.18. (A) Each casino operator, management company, and holding company involved in the application and ownership or management of a casino facility shall provide to the commission as applicable:

(1) An annual balance sheet;

(2) An annual income statement;

(3) An annual audited financial statement;

(4) A list of the stockholders or other persons having at least a five per cent ownership interest in the casino operator, management company, or holding company and any other information the commission considers necessary for the effective administration of this chapter;

(5) Notification of any material changes to the applicant's or licensee's stockholders must be provided to the commission within sixty days of the change. Notification of any refinancing and debt issuance shall be in accordance with rules adopted by the commission under Chapter 119. of the Revised Code~~; and~~

~~(6) An applicant's compulsive and problem gambling plan~~. ~~A casino operator shall submit an annual summary of its compulsive and problem gambling plan to the commission. The plan at a minimum shall contain the following elements:~~

~~(a) The goals of the plan and procedures and timetables to implement the plan;~~

~~(b) The identification of the individual who will be responsible for the implementation and maintenance of the plan;~~

~~(c) Policies and procedures including the following:~~

~~(i) The commitment of the casino operator to train appropriate employees;~~

~~(ii) The duties and responsibilities of the employees designated to implement or participate in the plan;~~

~~(iii) The responsibility of patrons with respect to responsible gambling;~~

~~(iv) Procedures for providing information to individuals regarding community, public and private treatment services, gamblers anonymous programs, and similar treatment or addiction therapy programs designed to prevent, treat, or monitor compulsive and problem gamblers and to counsel family members;~~

~~(v) The provision of printed material to educate patrons about compulsive and problem gambling and to inform them about treatment services available to compulsive and problem gamblers and their families;~~

~~(vi) The employee training program;~~

~~(vii) Procedures to prevent underage gambling;~~

~~(viii) Procedures to prevent intoxicated patrons from gambling;~~

~~(ix) The plan for posting signs within the casino facility containing gambling treatment information.~~

(B) ~~Each casino operator shall submit quarterly updates and an annual report to the commission of its adherence to the plans and goals submitted under division (A) of this section.~~

~~(C)~~ Preference shall be given to each of the following to train employees for casino-related employment opportunities:

(1) State institutions of higher education as defined in section 3345.011 of the Revised Code;

(2) Private career schools holding program authorizations issued by the state board of career colleges and schools under division (C) of section 3332.05 of the Revised Code;

(3) Private institutions exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section

3333.046 of the Revised Code.

Sec. 3772.221. (A) Before a patron places a wager with any of the following persons over the internet, the person shall require the patron to establish a wagering account with the person and place all wagers with the person through that account:

(1) A permit holder;

(2)

An internet gambling operator;

(3) A sports gaming proprietor.

(B) A wagering account shall include all of the following information, which the person described in division (A) of this section shall update whenever the person becomes aware of a change:

(1) The patron's full legal name;

(2) The patron's date of birth;

(3) The patron's primary address;

(4) The patron's wagering account number or user name;

(5) If the person examined the patron's government-issued identification under division (C)(1) of this section, the type of identification examined, the identification number, and a digital copy of the identification;

(6) The method and any other information used to verify the patron's identity;

(7) The date of identity verification;

(8) A history of the patron's transactions with the

person.

(C) Before creating a wagering account, a person described in division (A) of this section shall verify and document the patron's identity by doing one of the following:

(1) Examining the patron's government-issued identification, including the use of verification software designed to confirm the authenticity of the identification;

(2) Conducting multi-source authentication, which may include third party and governmental databases, as approved by the executive director.

(D) The person described in division (A) of this section shall require the patron, upon creating a wagering account, to do both of the following:

(1) Certify that the information provided to the person is accurate and that the patron is not excluded from or otherwise prohibited from wagering with the person. The person shall document the certification.

(2) Acknowledge the applicable minimum age to participate in wagering with the person and that the patron is prohibited from allowing any other person to access or use the patron's wagering account. The person shall document the acknowledgment.

(E) A person described in division (A) of this section shall implement procedures to ensure that wagering accounts comply with this section and with other applicable laws and rules, including ensuring, through commercially reasonable means, that all of the following are true:

(1) An individual who is prohibited from placing a wager with the person is not permitted to create a wagering account.

(2) An individual who becomes prohibited from placing a wager with the person is not permitted to continue to place wagers with the person while the individual is prohibited from doing so.

(3) A patron's identity is re-verified whenever reasonable suspicion exists that the patron's identification or wagering account has been compromised.

(4) The person complies with applicable state and federal requirements and industry standards for protecting the privacy and security of the person's patrons and their wagering accounts.

(F) A wagering account described in this section may allow the patron to place wagers with the person described in division (A) of this section by funding the wagering account through advance deposits. If the account does so, the person shall do all of the following:

(1) Allow the patron to fund the account only by the following means, in accordance with the person's house rules:

(a) Cash or vouchers deposited at an approved cashiering or kiosk location;

(b) Credit or debit card;

(c) Promotional credit;

(d) Winnings;

(e) Corrections made by the person with documented notification to the patron;

(f) Automated clearing house transfer;

(g) Wire transfer;

(h) Any other means approved by the executive director.

(2) Notify the patron of the establishment of a wagering account via electronic mail or regular mail;

(3) Apply a default deposit and wager limit on the account of five hundred dollars per week, subject to adjustment by the patron;

(4) Apply a default time limit of five hours per week spent using the person's web site or application through the account, subject to adjustment by the patron;

(5) Allow the patron, through an easy and obvious method, to impose additional limitations on the patron's wagering. The person shall comply with all of the following:

(a) Upon receiving any self-imposed limitation request, the person shall ensure that all specified limits are correctly implemented immediately or at the point in time that was clearly indicated by the patron.

(b) The patron's self-imposed limitations shall not override any more restrictive limitation imposed by the person.

(c) Once established by a patron and implemented by the person, it shall be possible to reduce the severity of a self-imposed limitation only upon the expiration of the self-imposed period.

(d) The person shall provide the patron with an option to set automatically renewing self-imposed limits.

(6) Require the patron to provide all of the following additional information, which the person shall update each time the person becomes aware of changes:

(a) The patron's telephone number;

(b) The patron's electronic mail address;

(c) The patron's social security number, the last four digits of the patron's social security number, or an equivalent identification number for a noncitizen patron, such as a passport or taxpayer identification number.

(7) Require the patron to protect access to the account using multi-factor authentication or a similar authentication method, as approved by the executive director;

(8) Prohibit a patron from transferring funds from one wagering account to another;

(9) Process a patron's request to withdraw the funds in the account within five business days, regardless of whether the account is open or closed, provided that if the person believes in good faith that the patron engaged in fraudulent conduct or other conduct that would cause the person to violate the law, the person may delay the withdrawal of funds to investigate or otherwise comply with the law. In such a case, the person shall provide notice to the patron of the general nature of the investigation of the account and conduct the investigation in a reasonable and expedient fashion, providing the patron with additional written notice of the status of the investigation at least every tenth business day starting from the day the original notice is provided to the patron.

(10) Refund any balance remaining in a wagering account closed by a patron in accordance with division (F)(9) of this section;

(11) Require that any manual addition or subtraction to or from the account of five hundred dollars or less be reviewed by

supervisory personnel and that any other manual addition or subtraction to or from the account be authorized in advance by supervisory personnel.

(G) A person described in division (A) of this section shall provide each patron with all of the following:

(1) Notice of available responsible gaming resources;

(2) A readily accessible method for closing an account through the person's web site or application or upon contact with the person's customer service team;

(3) On-demand access to a summary statement of all of the patron's wagering activity with the person during the past year, accessible through the person's web site or application;

(4) Access, upon request, to a summary statement of all of the patron's wagering activity with the person during the past five years, accessible through the person's web site or application;

(5) A copy of the person's privacy policy governing the person's use and storage of patrons' confidential information.

Sec. 3772.23. (A) All tokens, chips, or electronic cards that are used to make wagers shall be purchased from the casino operator or management company while at a casino facility that has been approved by the commission. Chips, tokens, tickets, electronic cards, or similar objects may be used while at the casino facility only for the purpose of making wagers on casino games.

(B) Casino operators and management companies may provide promotional gaming credits or bonuses to their patrons in accordance with section 3775.231 of the Revised Code and the

rules of the commission. ~~Promotional gaming credits shall be subject to oversight by the commission.~~

(C) Casino operators and management companies shall not do any of the following:

(1) Obtain a license to operate a check-cashing business under sections 1315.01 to 1315.30 of the Revised Code;

(2) Obtain a license to provide loans under sections 1321.01 to 1321.19 of the Revised Code;

(3) Obtain a license to provide loans under sections 1321.35 to 1321.48 of the Revised Code.

Sec. 3772.231. (A) The requirements of this section apply to promotional gaming credits or bonuses issued by any of the following persons:

(1) A permit holder;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor.

(B) A person described in division (A) of this section may issue promotional gaming credits or bonuses to patrons only in accordance with this section and with the rules of the commission.

(C) A person described in division (A) of this section shall adopt procedures for issuing, accepting, and tracking all promotional gaming credits and bonuses and shall adopt rules governing them. The person shall make the rules available to its patrons and to the commission. The rules shall be clear and

unambiguous and shall include all of the following:

(1) The date and time the promotion or bonus is active and expires;

(2) The rules of play;

(3) The nature and value of prizes or awards;

(4) All eligibility restrictions or limitations;

(5) All wagering and redemption requirements, including any limitations;

(6) All eligible events or wagers;

(7) All cancellation requirements;

(8) Terms and conditions that are full, accurate, concise, transparent, and do not contain misleading information.

(D)(1) Any promotional gaming credit or bonus that a person described in division (A) of this section describes as free or risk-free shall not require the patron to incur any loss or risk the patron's own money to use or withdraw winnings from the free wager.

(2) A promotional gaming credit or bonus may require the patron to play the credit or bonus through in order to withdraw it.

(3) A promotional gaming credit or bonus shall not restrict the patron from withdrawing the patron's own funds or withdrawing winnings from wagers placed using the patron's own funds.

(E)(1) A person described in division (A) of this section may offer a promotional gaming credit or bonus in connection with, or as a result of, a nongaming consumer transaction only

if all of the following apply:

(a) The promotion or bonus does not target individuals under the minimum age to participate in the applicable form of gaming, other individuals who are ineligible to participate in that gaming, individuals with gambling problems, or other vulnerable individuals.

(b) The promotion or bonus is offered only to individuals who have been verified as having attained the minimum age to participate in the applicable form of gaming and as not being participants in the Ohio voluntary exclusion program.

(c) The promotion or bonus includes an opt out method that meets the requirements of division (D) of section 3772.41 of the Revised Code.

(2) Division (E)(1) of this section does not prohibit a person described in division (A) of this section from operating or participating in a consumer loyalty program approved by the executive director.

(F) Upon the occurrence of either of the following, a person described in division (A) of this section immediately shall stop offering a promotional gaming credit or bonus:

(1) The person becomes aware that the promotion or bonus is in violation of this section or of other applicable provisions of the Revised Code regarding gaming or the rules of the commission.

(2) The executive director of the commission orders the person to stop offering the promotion or bonus because it fails to comply with this section or with other applicable provisions of the Revised Code or the rules of the commission, or because it otherwise undermines the integrity of gaming.

Sec. 3772.28. (A) All of the following persons shall adopt and implement house rules in accordance with this section:

(1) A permit holder;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor.

(B) House rules adopted under division (A) of this section shall address all of the following:

(1) The types of wagers accepted;

(2) The method for calculating and paying winning wagers;

(3) The effect of scheduling changes or cancellations of horse races, sporting events, or other events, as applicable;

(4) The process for handling incorrectly posted horse racing or sporting events, odds, or results, if applicable;

(5) The method of notifying patrons of odds or proposition changes, if applicable;

(6) The methods by which a wager or wagering account may be funded;

(7) The methods for redeeming a winning wager;

(8) A policy regarding lost or damaged betting slips or tickets, if applicable;

(9) A requirement that any winning betting slip or ticket expire one year after the date the ticket outcome is determined, if applicable;

(10) Any process for accepting wagers at other than the posted terms;

(11) A process for canceling wagers for obvious errors, including notification of the patron;

(12) A process for patrons to contact the person to submit questions or complaints;

(13) An explanation of the process to resolve any dispute with a patron in accordance with division (E) of this section;

(14) A notification to patrons regarding the Ohio voluntary exclusion program;

(15) Any other matter required by the executive director of the commission.

(C)(1) A person described in division (A) of this section shall submit its house rules and any proposed change to its house rules to the commission in the manner and form required by the executive director for approval before implementing them.

(2) In the case of a proposed change, if the person does not receive a response from the executive director regarding the change within five days after submitting it, the change is considered to be approved.

(3) The executive director may, at any time, require a change to a person's house rules to ensure compliance with applicable laws or rules.

(D) A person described in division (A) of this section shall do all of the following:

(1) Make its current house rules available to the commission in a manner prescribed by the executive director;

(2) Display its current house rules, together with any other information the commission considers appropriate, conspicuously in each track, casino facility, or sports gaming facility and in any other place or manner prescribed by the commission;

(3) Make copies of its current house rules readily available to patrons.

(E)(1) Whenever a person described in division (A) of this section refuses payment of alleged winnings to a patron or there is otherwise a dispute with a patron regarding the patron's wagering account, wagers, wins, or losses, and the person and the patron are unable to resolve the dispute to the satisfaction of the patron, the person shall notify the patron of the patron's right to file a written complaint, the procedure for filing a written complaint, and the person's complaint resolution process. The notice requirement of this division is satisfied if the person directs the patron to information available on the person's web site or mobile application.

(2) Upon receiving a written complaint under division (E)(1) of this section, the person shall investigate and provide a written response to the patron within ten business days. If the person needs additional time to investigate or resolve the complaint beyond the ten business days, the person shall notify the patron of the need for additional time and give the patron an expected time frame in which the complaint may be resolved. The person's ultimate response may include a statement that if the dispute is not resolved to the satisfaction of the patron, the patron may submit the patron's complaint in writing to the commission.

Sec. 3772.281. (A) All of the following persons shall

adopt procedures designed to protect the integrity of each form of gaming the person conducts, in accordance with this section:

(1) A permit holder;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor.

(B)(1) A person described in division (A) of this section shall submit its integrity procedures and any proposed change to its integrity procedures to the commission in the manner and form required by the executive director for approval before implementing them.

(2) In the case of a proposed change, if the person does not receive a response from the executive director regarding the change within five days after submitting it, the change is considered to be approved.

(3) The executive director may, at any time, require a change to a person's integrity procedures to ensure compliance with applicable laws or rules.

(C) A person described in division (A) of this section shall make its current integrity procedures available to the commission at all times.

Sec. 3772.31. ~~(A)~~ The commission, by and through the executive director of the commission and as required under section 125.05 of the Revised Code, may enter into contracts necessary to ensure the proper operation and reporting of all casino gaming authorized under this chapter. The commission

shall not require use of a central system by a casino operator if the casino operator is in compliance with this chapter. If the commission determines, after written notice to the casino operator and a hearing under section 3772.04 of the Revised Code, that a casino operator is not in compliance with this chapter, the commission may determine it is necessary to require the casino operator to install and implement a central system under such conditions as the commission may require. Before any such hearing, the commission shall provide the casino operator with written notice that the casino operator is not in compliance with a specific requirement of this chapter, describe the requirement, and provide the casino operator at least thirty days to cure the noncompliance or, if the cure cannot be reasonably rectified within thirty days, require the casino operator to demonstrate to the commission's satisfaction that the casino operator is diligently pursuing the required cure. The system shall be operated by or under the commission's control. If the commission determines that a central system is necessary and adopts rules authorizing a central system, casino operators shall be responsible for the costs of the central system as it relates to casino facilities.

~~(B) The commission shall certify independent testing laboratories to scientifically test and technically evaluate all slot machines, mechanical, electromechanical, or electronic table games, slot accounting systems, and other electronic gaming equipment for compliance with this chapter. The certified independent testing laboratories shall be accredited by a national accreditation body. The commission shall certify an independent testing laboratory if it is competent and qualified to scientifically test and evaluate electronic gaming equipment for compliance with this chapter and to otherwise perform the~~

~~functions assigned to an independent testing laboratory under this chapter. An independent testing laboratory shall not be owned or controlled by, or have any interest in, a gaming-related vendor of electronic gaming equipment. The commission shall prepare a list of certified independent testing laboratories from which independent testing laboratories shall be chosen for all purposes under this chapter.~~

Sec. 3772.311. (A) The commission shall certify independent testing laboratories to scientifically test and technically evaluate all of the following for compliance with applicable laws and the rules of the commission:

(1) All electronic instant bingo systems, pursuant to section 3768.12 of the Revised Code;

(2) All totalizator equipment and other equipment used in the operation of pari-mutuel wagering on horse racing under Chapter 3769. of the Revised Code;

(3) All video lottery terminals;

(4) All internet gambling equipment and all forms, variations, or composites of internet gambling;

(5) All slot machines, mechanical, electromechanical, or electronic table games, slot accounting systems, and other electronic gaming equipment;

(6) All sports gaming equipment and all forms, variations, or composites of sports gaming.

(B)(1) An independent testing laboratory shall apply to the commission, on a form prescribed by the commission, for certification with respect to the testing and evaluation of each type of equipment described in division (A) of this section that

the laboratory wishes to be certified to test. The laboratory shall pay the commission a nonrefundable certification fee in an amount determined by the commission by rule, sufficient to pay the cost of processing the application.

(2) A certification issued under this section is valid for a term of five years. The laboratory may apply to renew its certification in the same manner as for initial certification not later than ninety days before the certification expires. If the commission has investigated the laboratory for compliance under this section within the past year, the executive director of the commission may apply the results of the previous compliance investigation to the renewal application.

(3) The laboratory shall pay all costs of its compliance investigation for purposes of an initial or renewed certification under this section. The investigation may include a review of all of the following:

(a) The laboratory's business structure, including its ownership and controlling interests;

(b) The laboratory's policies and procedures, to determine whether they prevent conflicts of interest, provide for segregation of duties, detect and prevent fraud, and ensure impartiality;

(c) The laboratory's staff's experience and expertise;

(d) The sufficiency of the laboratory's staff, equipment, and test scripts;

(e) The laboratory's financial viability;

(f) The laboratory's compliance with division (C) of this section and the rules of the commission.

(C) In order to be certified, an independent testing laboratory shall meet all of the following requirements:

(1) It shall be competent and qualified to scientifically test and evaluate the applicable equipment for compliance with applicable laws and rules and to otherwise perform the functions assigned to an independent testing laboratory under this chapter.

(2) It shall be accredited by a national accreditation body to international organization for standardization (ISO) standards 17020 and 17025 and any other standards as required by the executive director.

(3) It shall be independent of any entity or product for which it provides testing services.

(4) It shall maintain professional liability (errors and omissions) insurance of not less than one million dollars.

(5) It shall employ a full-time quality manager who is responsible for ensuring compliance with national accreditation standards and applicable laws and rules.

(6) It shall maintain physical security at each laboratory facility, including surveillance systems and alarms, to minimize the risk that confidential information is misappropriated.

(7) It shall maintain the information technology security necessary to minimize the risk that confidential information is misappropriated.

(8) It shall utilize the verification methodologies required by the executive director. The laboratory shall request approval from the executive director to use alternative verification methodologies. If approved, the laboratory shall

provide the verification tool utilizing the alternative verification methodologies to the commission.

(9) It shall ensure that testing and support procedures are performed consistently at all laboratory locations.

(10) It shall make available to the commission, upon request, all its policies, procedures, and records.

(11) It shall make available to the commission, upon request, a master list of all test methods, standards, forms, and other relevant documents it uses.

(12) It shall not subcontract any testing without the prior written approval of the executive director.

(13) It shall maintain all records for a minimum of five years unless otherwise specified, as follows:

(a) It shall maintain, for a minimum of five years after an associated commission approval is no longer in effect, an electronic database containing testing data, reports, and related materials and provide access to the commission. Data, reports, and related materials shall be provided in a format and through a mechanism required by the commission.

(b) If not available from the manufacturer, it shall maintain an inventory of gaming equipment and versions of software tested by the laboratory and approved by the commission for a minimum of five years after an associated commission approval is no longer in effect.

(c) It shall maintain, for a minimum of five years after the end of the laboratory's certification period in which the submission occurred, all software and associated documentation and source code submitted for testing but not subsequently

approved by the commission. The information shall be stored in a manner that is secure and readily accessible to appropriately approved laboratory personnel.

(14) It shall assist the commission in investigations when requested, at the expense of the laboratory. The laboratory may seek reimbursement from the owner of the devices subject to investigation.

(15) When requested, it shall assist or train commission agents in accounting, auditing, compliance, security, technology, and verification practices for any submission to that laboratory seeking approval from the commission.

(16) It shall meet any additional condition imposed by the commission at a meeting held under section 3772.02 of the Revised Code.

(D) A certified independent testing laboratory shall do all of the following:

(1) Provide a recommendation as to whether any equipment submitted to it for testing complies with the applicable laws and rules;

(2) Provide a report to the commission, in a format approved by the commission, of its test results for each submission to be considered for approval by the commission;

(3) Testify at any administrative hearing or court proceeding as requested by the commission;

(4) Annually review each of its employees, including conducting a criminal background check and an assessment of the employee's training, experience, performance, and competence;

(5) Take corrective action whenever any nonconforming work

is discovered, laboratory procedures are not followed, procedures are required to be changed, or other unsatisfactory conditions exist. The quality manager shall file an internal report with the laboratory, describing why the problem occurred, what was done to resolve the problem, and how the problem will be prevented in the future. The laboratory shall make the report available to the commission upon request.

(6) Establish and maintain a training program for its employees to ensure the employees maintain the experience and expertise to conduct all testing required by the commission. The laboratory shall maintain training records for all employees and make them available to the commission upon request.

(7) Test and verify that all testing equipment and software used internally is suitable for use. The laboratory shall have internal policies to verify that the equipment and software will perform as needed. The laboratory shall maintain records of test cases involving the validation of equipment, software, and methods. All testing performed by the laboratory shall be traceable to a test method that has been suitably validated.

(8) Notify the executive director immediately if it fails to maintain compliance with any requirement of division (C) of this section.

(E) The commission shall maintain a list of certified independent testing laboratories from which independent testing laboratories shall be chosen for all purposes under this chapter.

Sec. 3772.312. (A)(1) A licensee that seeks the approval of a piece of equipment or a game described in division (A) of

section 3772.311 of the Revised Code shall do all of the following:

(a) Submit a written request to a certified independent testing laboratory that identifies the equipment or game and, at a minimum, specifically references the scientific testing and technical evaluation necessary to determine compliance with the applicable laws and rules;

(b) Submit all necessary items and information to the laboratory and, if requested by the commission, to the commission;

(c) Pay all costs associated with the testing and evaluation.

(2) A licensee shall engage not more than one certified independent testing laboratory to test and evaluate any particular version of a piece of equipment or any particular version of a game, unless the executive director of the commission gives prior written authorization for testing and evaluation by an additional laboratory.

(B) Except as otherwise approved by the executive director of the commission, no equipment or game described in division (A) of section 3772.311 of the Revised Code shall be used in this state unless it has been tested by a certified independent testing laboratory and the executive director has certified the test results. The commission shall publish a catalog of all approved equipment and games.

(C) Any equipment or game described in division (A) of section 3772.311 of the Revised Code, or any component of any such equipment or game, that the commission deems to be critical shall be capable of verification using a verification method

approved by the executive director.

(D) The executive director may require that a previously approved piece of equipment or game be retested under this section if the executive director determines that the equipment or game fails to meet any applicable requirement of law or rule or jeopardizes the integrity of gaming in any way.

Sec. 3772.313. (A) Both of the following systems shall meet the requirements of this section:

(1)

An internet gambling system;

(2) Sports gaming equipment used to accept wagers on sporting events.

(B) A system described in division (A) of this section shall meet all of the following requirements:

(1) It shall monitor and record all gaming-related data in real time, including any changes made to the data or system.

(2) It shall provide accurate reporting using a method and format approved by the executive director.

(3) It shall be capable of automatically preparing a report summarizing the results of all wagering transactions conducted in this state by the permit holder, internet gambling operator, or sports gaming proprietor. The reporting function shall be tested by a certified independent testing laboratory under section 3772.312 of the Revised Code to confirm that it accurately calculates and displays the results of wagering.

(4) The executive director of the commission shall determine the format and required periods of the report.

(5) The servers or other equipment responsible for accepting wagers shall meet all of the following requirements:

(a) They shall be located in this state, provided that data may be stored or accessed elsewhere, including in a cloud based environment.

(b) They shall be managed by a person that holds an appropriate license issued by the commission for that purpose.

(c) The data center where they are housed shall be secure and shall have controls in place to prevent unauthorized access.

(6) The system shall utilize disk redundancy, and the data shall be backed up to prevent the loss of data and to minimize down time.

(7) All communication with the system shall be secured utilizing an encryption methodology that ensures data integrity and prevents data theft.

(8) The system shall perform an authentication check on any gaming equipment that connects to it and shall not accept any wagers or player account requests from gaming equipment that fails the authentication check. The authentication check shall meet all of the following requirements:

(a) It shall occur at least once every twenty-four hours.

(b) It shall determine, with a high degree of accuracy, whether the gaming equipment has been altered in a way that may threaten the integrity of the system or its data.

(c) It shall log all of the following information:

(i) The date and time;

(ii) A device identifier;

(iii) The device type;

(iv) The device's location;

(v) The disposition of the authentication check.

(9) It shall be designed to prevent and detect all of the following:

(a) Unauthorized use of an account by someone other than the account holder;

(b) Unauthorized withdrawals from patron accounts;

(c) Wagering by any person who is prohibited from making a wager, including any person who is underage, a participant in the Ohio voluntary exclusion program, or a person who is on an involuntary exclusion list.

(C) A permit holder, internet gambling operator, or sports gaming proprietor shall do all of the following:

(1) Provide read-only remote access to its systems, and any hardware or software required to facilitate that access, to the commission in a manner prescribed by the executive director;

(2) Pay all costs associated with providing access to the commission under division (C)(1) of this section;

(3) Test the system's recovery procedures on a sample basis at least annually, document the results, and make them available to the commission upon request;

(4) Implement change management policies and procedures for tracking and controlling changes made to the system, including all of the following:

(a) Procedures for testing proposed changes in a non-production environment. The non-production environment shall be

segregated from the production environment and shall not have the capability to alter data in the production environment.

(b) Procedures for classifying changes as follows:

(i) High impact, meaning any change to, or addition of, components that impact the operational integrity of the system. As used in this division, "components" includes any component deemed to be critical by the certified independent testing laboratory.

(ii) Low impact, meaning any other change to the system.

(c) Procedures for the installation of changes into the production environment;

(d) Procedures for the rollback of changes;

(e) Procedures for documenting each phase of the change management process;

(f) Procedures for logging all changes to the system;

(g) Policies to ensure appropriate segregation of duties to prevent unintended changes from occurring.

(5)(a) Subject to division (C)(5)(b) of this section, notify the commission at least five business days before installing any change designated as high impact. The executive director may deny or delay the installation.

(b) A change that is necessary to remediate an immediate threat or liability may be installed immediately. The commission shall be notified of the change within forty-eight hours of implementation.

(D) The executive director may require that any change be tested by a certified independent testing laboratory, with

testing completed and a testing laboratory letter provided to the commission within ninety days.

Sec. 3772.314. (A) The requirements of this section apply to any geoblocking technology that is used for the purpose of preventing individuals who are not physically present in this state from participating in internet gambling or sports gaming, as required under sections 3771.10 and 3775.11 of the Revised Code.

(B) The geoblocking technology shall be provided by a licensed internet gambling supplier or sports gaming supplier, as applicable, and shall be approved by the commission under section 3772.312 of the Revised Code. The internet gambling operator or sports gaming proprietor shall report to the commission the name of the supplier of its geoblocking technology.

(C) The geoblocking technology shall do all of the following:

(1) Determine a patron's location within a margin of error determined by the executive director and dynamically monitor the patron's location throughout the patron's placement of wagers with the internet gambling operator or sports gaming proprietor;

(2) Provide reporting and analytics to allow for effective monitoring of patrons' locations;

(3) Prevent a patron who is not physically present in this state from placing wagers with the internet gambling operator or sports gaming proprietor;

(4) Alert a patron who is prevented from placing wagers under division (C)(3) of this section that the patron appears not to be physically present in this state;

(5) Comply with the requirements of this chapter and Chapters 3771. and 3775. of the Revised Code and of rules adopted thereunder.

(D) The supplier shall do all of the following:

(1) Record all attempts to participate in internet gambling or the online sports pool, as applicable, from both authorized and unauthorized locations, and make the records available to the commission in a format approved by the executive director;

(2) Provide the commission with access to real-time geoblocking data, including any equipment necessary to view the data. The executive director shall approve the method, format, and equipment for accessing the data.

(3) Ensure the integrity of the data used to make location determinations;

(4) Conduct maintenance and updates to the technology to ensure proper functionality;

(5) Meet any other requirement prescribed by the executive director.

Sec. 3772.315. (A) All of the following persons shall maintain an information technology department that is responsible for the quality, reliability, and accuracy of all electronic systems used in the person's gaming operation:

(1) A permit holder, other than a person who holds only a permit issued for a horse racing meeting at a fair;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor.

(B) A person described in division (A) of this section shall do all of the following:

(1) Maintain information technology security insurance as approved by the executive director of the commission;

(2) Ensure that the person's information technology staff are adequately segregated and monitored to detect procedural errors or unauthorized access to financial transactions and assets and to prevent the concealment of fraud;

(3) Maintain the information technology environment and infrastructure in a secured physical location that is restricted to authorized employees;

(4) Adopt procedures for responding to, monitoring, investigating, resolving, documenting, and reporting security incidents associated with the person's information technology systems.

(C)(1) Each person described in division (A) of this section shall contract with an independent third party to perform an annual information technology audit. The third party shall be approved by the executive director of the commission as qualified, independent, and capable of performing the audit. The audit and corresponding report shall assess all of the following:

(a) The design, controls, maintenance, and security of the person's information technology systems;

(b) The person's compliance with the information technology and gaming system requirements of the Revised Code

and the rules of the commission;

(c) Any other subject required by the executive director.

(2) The audit described in division (C)(1) of this section shall be performed at least once each fiscal year and within ninety days before a person commences initial operations on or after the effective date of this section. The person shall file the audit report with the commission, in a format determined by the executive director, within one hundred twenty days following the end of the fiscal year or upon receipt receiving the report from the auditor, whichever is earlier.

(3) The commission may require a person described in division (A) of this section to terminate its engagement of an auditor under division (C)(1) of this section if the commission determines that the auditor lacks the appropriate qualifications, independence, or capacity or that the engagement or an audit performed under the engagement poses a material risk to the integrity of gaming in this state. An action under this division is an action against the person described in division (A) of this section that is subject to the hearing procedures and disciplinary actions provided for under this chapter and the rules of the commission. If the commission orders a person to terminate its engagement of an auditor, the person shall engage a different auditor to ensure that the requirements of this section and the rules of the commission are met.

Sec. 3772.316. (A) All of the following persons shall comply with the accounting, record keeping, and internal auditing requirements of this section:

(1) A permit holder;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor.

(B) A person described in division (A) of this section shall do all of the following:

(1) Maintain general accounting records using a double-entry system of accounting with transactions recorded on a basis consistent with generally accepted accounting principles;

(2) Have documented revenue audit procedures and maintain documentation evidencing the performance of all revenue audit procedures, any exceptions noted, and follow-up of all exceptions;

(3) Comply with all applicable requirements of Chapter 5753. of the Revised Code and with any requests of the tax commissioner;

(4) Include on all books, forms, records, documents, and data submitted to the commission the name of the person, the date of completion, and the title of the book, form, record, document, or stored data.

(C)(1) A person described in division (A) of this section shall cause an annual audit of the person's gaming operation to be conducted to assess the person's compliance with the gaming requirements of the Revised Code and the rules of the commission. The audit shall be conducted by one of the following:

(a) A separate internal audit department that is independent of the person's gaming operation. The department may be the internal audit department of a parent entity of the

person.

(b) A third party independent registered certified public accounting firm licensed to practice in this state. Before the start of the engagement, the person shall report to the commission the name of the firm and of the lead audit partner or other person responsible for the engagement.

(2) An annual audit conducted under division (C)(1) of this section shall meet all of the following requirements:

(a) It shall audit the person's compliance with the gaming requirements of the Revised Code and the rules adopted thereunder, the person's house rules, required procedures, and any other applicable rules and regulations, as required by the executive director.

(b) The auditor shall follow the standards, conventions, and rules governing audits in the United States.

(c) The auditor shall document the results in an audit report and provide them to the commission. The auditor shall maintain documentation to evidence all work performed as it relates to the requirements of this section, including all instances of noncompliance.

(d) Within six months after the auditor notifies the person being audited of any instance of noncompliance, the auditor shall perform follow-up observations and examinations to verify that corrective action has been taken regarding all such instances of noncompliance.

(3) The commission may require a person described in division (A) of this section to terminate its engagement of an auditor under division (C)(1) of this section if the commission determines that the auditor lacks the appropriate

qualifications, independence, or capacity or that the engagement or an audit performed under the engagement poses a material risk to the integrity of gaming in this state. An action under this division is an action against the person described in division (A) of this section that is subject to the hearing procedures and disciplinary actions provided for under this chapter and the rules of the commission. If the commission orders a person to terminate its engagement of an auditor, the person shall engage a different auditor to ensure that the requirements of this section and the rules of the commission are met.

Sec. 3772.317. (A) All of the following persons shall comply with the external auditing requirements of this section:

(1) A permit holder;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor, other than a professional sports organization.

(B)(1) A person described in division (A) of this section shall have its annual financial statements audited by an independent registered certified public accounting firm licensed to practice in this state. The audit shall be in accordance with generally accepted auditing standards and, when applicable, the standards of the accountancy board.

(2) The person shall report to the commission the name of the independent registered certified public accounting firm and the name of the lead audit partner or other individual taking primary responsibility for the financial statement audit

engagement before the start of the engagement. The lead audit partner or other individual taking primary responsibility for the financial statement audit engagement may serve a maximum of five consecutive years in such a position.

(3) The annual financial statements audit shall be prepared on a comparative basis for the current and prior fiscal years and shall present the person's financial position and results of operations in conformity with generally accepted accounting principles.

(4) The audit shall be filed with the commission, in a format determined by the executive director, within one hundred twenty days following the end of the fiscal year.

(C) At any time, the executive director may require a special audit of a person described in division (A) of this section by commission personnel, an independent registered certified public accounting firm, or any other third party the executive director approves as qualified, independent, and capable of performing the special audit.

(D) The commission may require a person described in division (A) of this section to terminate its engagement of an auditor under this section if the commission determines that the auditor lacks the appropriate qualifications, independence, or capacity or that the engagement or an audit performed under the engagement poses a material risk to the integrity of gaming in this state. An action under this division is an action against the person described in division (A) of this section that is subject to the hearing procedures and disciplinary actions provided for under this chapter and the rules of the commission. If the commission orders a person to terminate its engagement of an auditor, the person shall engage a different auditor to

ensure that the requirements of this section and the rules of the commission are met.

(E) A person described in division (A) of this section shall do both of the following:

(1) Notify the commission of any report that is filed, or required to be filed, with the securities and exchange commission or other securities regulatory agency;

(2) File with the commission a copy of any suspicious activity report filed with the financial crimes enforcement network related to the conduct of gaming in this state.

Sec. 3772.37. ~~(A) Pursuant to section 131.02 of the Revised Code, the attorney general shall develop and implement a real time data match program and make it available to each casino operator and management company to identify patrons who owe amounts to the state or a political subdivision.~~

~~(B)(1)~~ (A)(1) Before disbursing any ~~casino~~ of the following types of winnings to a patron that meet or exceed the reportable winnings amount set by 26 U.S.C. 6041, ~~a casino operator or management company~~ the following persons shall withhold amounts from the winnings as required under divisions (B) to (E) of this section:

(a) A permit holder, with respect to winnings from pari-mutuel wagering on horse racing;

(b) A video lottery sales agent, with respect to winnings from a video lottery terminal;

(c) An internet gambling operator, with respect to winnings from internet gambling;

(d) A casino operator or management company, with respect

to casino winnings;

(e) A sports gaming proprietor, with respect to winnings from sports gaming, except as otherwise provided regarding a type C sports gaming proprietor by rule of the state lottery commission adopted under section 3770.03 of the Revised Code.

(2) For purposes of division (A)(1) of this section, a patron's amount of winnings shall be determined each time the patron exchanges amounts won in tokens, chips, credit, betting slips or tickets, or other prepaid representations of value for cash or a cash equivalent.

(B) The person shall withhold state income tax under section 5747.063 of the Revised Code.

(C) If required, the person shall withhold federal income tax under 26 U.S.C. 3402.

(D) In the case of winnings won in person at a track, casino facility, or sports gaming facility, the person shall withhold any applicable municipal income tax under section 718.031 of the Revised Code.

(E) The person shall consult the data match program described in section 3123.90 of the Revised Code to determine whether the patron is in default under a support order and, if so, shall withhold an amount sufficient to satisfy any past due support under that section.

(F)(1) The person shall consult the data match program described in section 131.02 of the Revised Code to determine whether the patron owes any amounts to the state or a political subdivision. If the data match program indicates that the patron owes any amounts to the state or a political subdivision, the ~~casino operator or management company~~ person shall withhold from

the patron's winnings an amount sufficient to satisfy those amounts, up to the amount of the winnings.

(2) If the data match program described in section 3123.90 of the Revised Code indicates that the patron also is in default under a support order, the ~~casino operator or management company~~ person shall transmit to the department of job and family services an amount sufficient to satisfy any past due support owed by the patron, up to the amount of the winnings, before transmitting any remaining amount to the attorney general under division ~~(C)~~ (F)(1) of this section.

~~(C)(1)~~ (3) Not later than seven days after withholding an amount under division ~~(B)~~ (F)(1) of this section, the ~~casino operator or management company~~ person shall transmit to the attorney general any amount withheld and not already disbursed to the department of job and family services under section 3123.90 of the Revised Code as payment on the amount owed.

~~(2)~~ (4) If the patron owes more than one amount to the state or a political subdivision as identified by the data match program described in this section, the amount owed to the state shall be satisfied first, except that any amounts owed under section 5739.33 and division (G) of section 5747.07 of the Revised Code shall have first priority.

~~(D)~~ (5) Except as otherwise provided in section 131.021 of the Revised Code, division (F) of this section applies only to amounts owed that have become final.

~~(E)~~ (6) The attorney general, in consultation with the commission, may adopt rules under Chapter 119. of the Revised Code as necessary to implement division (F) of this section.

Sec. 3772.38. (A) All of the following persons shall

retain records in accordance with this section:

(1) A permit holder, management services company, or totalizator company, with respect to its operations under Chapter 3769. of the Revised Code;

(2) A video lottery sales agent, with respect to its operations under sections 3770.21 to 3770.22 of the Revised Code;

(3) An internet gambling operator, internet gambling management company, or internet gambling supplier, with respect to its operations under Chapter 3771. of the Revised Code;

(4) A casino operator, management company, or gaming-related vendor or a holding company of a casino operator, management company, or gaming-related vendor;

(5) A sports gaming proprietor, a mobile management services provider, a management services provider, or a sports gaming supplier, with respect to its operations under Chapter 3775. of the Revised Code.

(B) A person described in division (A) of this section shall retain and maintain all of the following records, in addition to any other records required to be maintained under this chapter, Chapter 3769., 3771., 3775., or 3777., or sections 3770.21 to 3770.22 of the Revised Code, as applicable, or the rules of the commission, for at least five years after the records are created, in a place secure from theft, loss, or destruction:

(1) The person's business and organizational structure;

(2) Correspondence, including reports, to or from the commission or any local, state, or federal governmental agency,

or foreign gaming regulatory body;

(3) Any acquisition, construction, remodeling, or maintenance of a proposed or existing track, casino facility, or sports gaming facility in this state;

(4) All transactions and other records related to the lease, purchase, installation, operation, maintenance, or repair of equipment stored, maintained, operated, possessed, or otherwise used in conducting gaming in this state;

(5) Financial statements, accounting records, ledgers, and internal and external audit records;

(6) Records related to the conduct of gaming in this state;

(7) Any other books, records, or documents the commission requires, in writing, to be retained and maintained.

(C) A person described in division (A) of this section shall retain and maintain, in a manner consistent with division (B) of this section, the personnel files for all key gaming employee and gaming employee applicants or licensees for three years from the employment decision or last date of employment, as applicable.

(D) A person described in division (A) of this section shall retain and maintain, in a manner consistent with division (B) of this section, any materials used to advertise, publicize, or otherwise promote gaming in this state for two years from the end of the advertising, promotional, or publicity campaign. If an affiliate marketer advertises, publicizes, or otherwise promotes gaming on the person's behalf, either the person or the affiliate marketer shall retain those records.

(E) A person described in division (A) of this section shall organize the records required to be maintained under this section and furnish them to the commission in a manner that enables the commission to locate, inspect, review, and analyze the records with reasonable ease and efficiency, when requested by the commission.

(F)(1) The commission and its employees may demand access to and inspect, examine, photocopy, and audit all books, accounts, records, and memoranda of any person that is not protected by privilege and that is subject to the provisions of this chapter, Chapter 3769., 3771., 3775., or 3777., or sections 3770.21 to 3770.22 of the Revised Code and may examine under oath any officer, agent, or employee of that person.

(2) Nothing in this section requires disclosure of a record that is protected by the attorney-client privilege. If the commission requests a record that is protected by the attorney-client privilege, the record holder shall provide the commission with written notification of the record's existence, including a general description of the record's contents and the basis for the privilege.

Sec. 3772.39. (A) The commission shall operate the Ohio voluntary exclusion program for the purpose of reducing the incidence of disordered and problem gambling in this state.

(B)(1) Except as otherwise provided in this section, a participant in the program shall agree to refrain from entering a track, casino facility, or sports gaming facility and from engaging in pari-mutuel wagering on horse racing, video lottery terminal gaming, internet gambling, casino gaming, or sports gaming in this state. The participant's name shall be included on a voluntary exclusion list with respect to all forms of

gaming from which the participant is excluded.

(2) An individual who is a participant as of the effective date of this section is excluded only from the forms of gaming indicated on the individual's most recently submitted application for voluntary exclusion.

(3) An individual who becomes a participant remains entitled to both of the following:

(a) Any amount owed to the individual by a permit holder, video lottery sales agent, internet gambling operator, casino operator or management company, or sports gaming proprietor or an agent of any of those persons before the individual becomes a participant, including the value of any points, promotional credits, or complimentaries that may be redeemed for cash under a marketing program and the value of any voided or canceled wager;

(b) Any winnings from a wager placed by an individual before becoming a participant that is pending when the individual becomes a participant. Such a wager shall not be voided or canceled by either party solely because the individual becomes a participant.

(4) A participant remains liable for any debt to a permit holder, video lottery sales agent, internet gambling operator, casino operator or management company, or sports gaming proprietor accrued before becoming a participant.

(5) A participant is not prohibited from entering a track, casino facility, or sports gaming facility for any of the following purposes:

(a) Carrying out the duties of the participant's employment. A participant who requires access for that purpose

shall notify the commission in the manner and on a form prescribed by the commission.

(b) Applying for renewed or extended participation in, or removal from, the program;

(c) Claiming any money or thing of value owed to the participant under division (B)(3) of this section;

(d) Paying any debt owed under division (B)(4) of this section.

(C)(1) An applicant to participate in the program shall apply on a form prescribed by the commission, either in person at a track or casino facility in the presence of commission staff or through an online portal established by the commission.

(2) The applicant shall choose to be excluded for one of the following periods:

(a) A minimum of one year;

(b) A minimum of five years;

(c) For life, subject to division (C)(8) of this section.

(3) No fee is required to participate in or be removed from the program.

(4) If, in the opinion of the commission staff who are present when an applicant applies in person, the applicant appears to be impaired or appears to be applying involuntarily, the commission shall reject the application.

(5) After enrolling a participant in the program, the commission shall deliver written confirmation to the participant. Any failure to deliver confirmation to the participant does not affect the participant's status as a

participant.

(6) A participant who chooses a one-year or five-year minimum exclusion period shall not be removed from the program before the expiration of the applicable minimum period. Upon the expiration of that period, the participant remains a participant unless the participant submits an application to the commission for removal from the program. The application shall be on a form prescribed by the commission and shall be made in the same manner as an application to participate in the program.

(7) A participant who chooses a lifetime exclusion and participates in the program for at least five years may apply to the commission to be removed from the program. The application shall be on a form prescribed by the commission and shall be made in the same manner as an application to participate in the program. Upon receiving a properly completed application for removal under this division, the commission shall grant the application if the participant has completed an education program on problem gambling awareness, as prescribed by the commission.

(8) A participant may apply to the commission in the manner described in division (C)(1) of this section to renew or extend the participant's participation in the program at any time.

(D) An applicant to participate in the program shall agree in writing to all of the following:

(1) That the applicant will refrain from entering any track, casino facility, or sports gaming facility, except as otherwise permitted under division (E) of this section, and that the applicant may be charged with criminal trespass for doing

so;

(2) That the applicant will refrain from engaging in, or attempting to engage in, pari-mutuel wagering on horse racing, video lottery terminal gaming, internet gambling, casino gaming, and sports gaming in this state;

(3) That the applicant will forfeit all points, promotional credits, or complimentaries received from a permit holder, video lottery sales agent, internet gambling operator, casino operator or management company, or sports gaming proprietor on or before the date the applicant completes the application, except for any points, credits, or complimentaries that may be redeemed for cash under a marketing program;

(4) That the applicant will surrender both of the following to the commission:

(a) Any money or thing of value the applicant converts, or attempts to convert, into chips, tokens, tickets, electronic wagering credit, or any other wagering instrument for the purpose of pari-mutuel wagering on horse racing, video lottery terminal gaming, internet gambling, casino gaming, or sports gaming in this state after becoming a participant;

(b) Any prize the applicant wins, claims, or attempts to claim from pari-mutuel wagering on horse racing, video lottery terminal gaming, internet gambling, casino gaming, or sports gaming in this state after becoming a participant, except for any winnings from a wager described in division (B)(3) of this section.

(5) That the applicant remains liable for any debt to a permit holder, video lottery sales agent, internet gambling operator, casino operator or management company, or sports

gaming proprietor accrued before becoming a participant;

(6) That the applicant cannot be removed from the program before the expiration of the applicable minimum period;

(7) That the applicant may renew or extend the applicant's participation in the program at any time.

(E) A permit holder, video lottery sales agent, internet gambling operator, casino operator or management company, or sports gaming proprietor shall employ commercially reasonable methods to do all of the following:

(1) Maintain a system for determining whether an individual is a participant, including procedures approved by the commission for updating the system with changes in participants' enrollment status at least once every seven days;

(2) Except as otherwise provided in division (B)(4) of this section, prohibit a participant from entering a track, casino facility, or sports gaming facility, as applicable. If the person finds a participant on the premises in violation of this division, all of the following apply:

(a) If any member of the commission's staff is present at the facility, the person immediately shall notify the commission's staff.

(b) Within seventy-two hours, the person shall notify the commission in writing of the participant's name and date of birth, the circumstances of the violation or attempted violation of the terms of the program, and the gaming activity, if any, in which the participant engaged.

(c) The person may press charges against the participant for criminal trespass under section 2911.21 of the Revised Code

or a comparable provision of a local ordinance.

(3) Prohibit a participant from participating in gaming operated by the person. Within seventy-two hours after discovering that a participant has violated or attempted to violate the terms of the program, the person shall notify the commission in writing of the participant's name and date of birth, the circumstances of the violation or attempted violation, and the gaming activity, if any, in which the participant engaged.

(4) Refrain from accepting any form of payment from a participant or extending credit to a participant in any manner, except as payment of a debt accrued by a participant before becoming a participant;

(5) Remit both of the following to the commission:

(a) Any money or thing of value a participant converts, or attempts to convert, into chips, tokens, tickets, electronic wagering credit, or any other wagering instrument for the purpose of pari-mutuel wagering on horse racing, video lottery terminal gaming, internet gambling, casino gaming, or sports gaming in this state after becoming a participant;

(b) Any prize a participant wins, claims, or attempts to claim from pari-mutuel wagering on horse racing, video lottery terminal gaming, internet gambling, casino gaming, or sports gaming in this state after becoming a participant, except for any winnings from a wager described in division (B)(3) of this section.

(6) Make all reasonable attempts, as determined by the commission, to cease all direct marketing efforts to a participant;

(7) Provide the commission reports on a quarterly basis of the number of participants the person denied entry or access to a track, casino facility, sports gaming facility, or online gaming platform;

(8) Make program applications available at any track or casino facility the person operates.

(F)(1) Subject to division (F)(2) of this section, the voluntary exclusion list and the personal information of current or former participants are confidential and are not subject to disclosure as a public record. The commission shall distribute that information only to the following persons:

(a) Permit holders, video lottery sales agents, internet gambling operators, casino operators or management companies, sports gaming proprietors, and their agents and employees, for purposes of implementing the program;

(b) A person to whom the participant requests the commission to disclose the participant's information, with the consent of the commission.

(2) The commission may disclose anonymized information from the program and any predecessor gambling voluntary exclusion program to one or more research entities selected by the commission for the purpose of evaluating the program's effectiveness and ensuring its proper administration.

(G)(1) Any money or thing of value surrendered or remitted to the commission under division (D)(4) or (E)(5) of this section at a casino facility shall be deposited in the problem casino gambling and addictions fund.

(2) Any other money or thing of value surrendered or remitted to the commission under those divisions shall be

deposited in the problem gambling fund established under section 5753.031 of the Revised Code.

(H) The requirements of this section do not apply to a permit holder who holds only a permit issued for a horse racing meeting at a fair.

Sec. 3772.40. (A) Each of the following persons shall develop and implement a compulsive and problem gambling plan:

(1) A permit holder, other than a person who holds only a permit issued for a horse racing meeting at a fair;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor.

(B) At a minimum, the plan shall contain all of the following elements:

(1) The goals of the plan and procedures and timetables to implement the plan;

(2) The identification of the individual who will be responsible for the implementation and maintenance of the plan;

(3) Policies and procedures, including the following:

(a) Procedures for compliance with the Ohio voluntary exclusion plan, including, at a minimum, all of the following:

(i) Procedures preventing an individual in the program from entering the person's facility or engaging in, or attempting to engage in, gaming operated by the person;

(ii) Procedures for identifying and removing participants

in the program from the person's facility, if applicable;

(iii) Procedures for preventing the dissemination of any advertisement, promotion, or other direct marketing mailing beginning fifteen days after an individual becomes a participant;

(iv) Procedures for preventing a participant from having access to credit or from receiving complimentary services, check-cashing services, and other benefits;

(v) Procedures for ensuring the confidentiality of participants' identities and information;

(vi) Any other procedure required by the executive director of the commission.

(b) The duties and responsibilities of the employees designated to implement or participate in the plan;

(c) The responsibility of patrons with respect to safer gambling practices;

(d) Procedures to identify patrons and employees with suspected or known disordered or problem gambling behavior, including procedures specific to loyalty and other rewards and marketing programs;

(e) Procedures for providing information to individuals regarding the Ohio voluntary exclusion program and community, public and private treatment services, peer support groups, and similar treatment or addiction therapy programs designed to prevent, treat, or monitor individuals with a gambling problem or gambling disorder and to counsel family members, including for providing the information upon the request of a patron or employee;

(f) The provision of written material to educate patrons and employees about disordered and problem gambling and to inform them about the Ohio voluntary exclusion program and treatment services available to individuals with a gambling problem or gambling disorder and their families. The person shall provide the commission with examples of the materials to be used and a description of how they will be disseminated.

(g) Advertising and other marketing and outreach to educate the general public about disordered and problem gambling;

(h) An employee training program, including training materials to be utilized, a plan for periodic reinforcement training, and a certification process established by the person to verify that each employee has completed the training required by the plan;

(i) Procedures to prevent underage gambling;

(j) Procedures for the operator of a track, casino facility, or sports gaming facility to prevent patrons impaired by drugs or alcohol, or both, from gambling;

(k) The plan for posting signs or other notices containing information on gambling treatment and on the Ohio voluntary exclusion program, including examples of the language and graphics to be used.

(4) A list of public and private treatment services, peer recovery support groups, and similar treatment or addiction therapy programs designed to prevent, treat, or monitor individuals with a gambling problem or gambling disorder and to counsel family members;

(5) Any other information, documents, and policies and

procedures the commission requires.

(C) Each person described in division (A) of this section shall submit quarterly updates and an annual report to the commission concerning the person's adherence to the plan and the goals of the plan. The annual report shall include any information the person has received related to any individual's bankruptcy, divorce, criminal offense, suicide attempt, or death by suicide related to gambling offered by the person, including the individual's name and date of birth, how the person came to know of the incident, and a brief description of the incident.

Sec. 3772.41. (A) As used in this section:

(1) "Affiliate marketer" means a person who conducts promotion, marketing, advertising or patron recruitment for a permit holder, video lottery sales agent, online gambling operator, casino operator or management company, or sports gaming proprietor in this state in either of the following manners:

(a) Through a web site or mobile application;

(b) In exchange for a commission or variable fee based upon the number of users recruited, wagering activity generated, revenue generated, or any other metric.

(2) "Gaming advertisement" means a notice, announcement, or communication to the public or to any specific member or members of the public, to which both of the following apply:

(a) It is made by or on behalf of a permit holder, video lottery sales agent, online gambling operator, casino operator or management company, or sports gaming proprietor.

(b) It is designed to solicit or entice an individual to

participate in gaming operated by the person described in division (A)(1)(a) of this section through broadcasting, publication, or any other means of dissemination in this state.

(3) "Direct gaming advertisement" means a gaming advertisement that is disseminated to a specific individual or individuals.

(B) A gaming advertisement shall do all of the following:

(1) Clearly convey the conditions under which the gaming is being offered, including information about the cost to participate and the nature of any promotions and information to assist patrons in understanding the odds of winning. Any material conditions or limiting factors shall be clearly and conspicuously specified. If the advertisement is not of sufficient size or duration to permit inclusion of that information, the advertisement shall refer to a web site or application that prominently includes that information within one click.

(2) Disclose the identity of the person conducting the gaming;

(3) Clearly and conspicuously include messages designed to prevent problem gambling and provide information about how to access resources related to problem gambling, including one of the following:

(a) The national council on problem gambling's twenty-four hour confidential helpline;

(b) The problem gambling helpline number established under section 3772.062 of the Revised Code;

(c) Another helpline approved by the executive director of

the commission that is free of charge to the caller.

(C) No gaming advertisement shall do any of the following:

(1) Depict any individual under the minimum age to participate in the applicable form of gaming in any way that may be construed as the individual participating in or endorsing the gaming. This division does not prohibit the use of footage or images of participants in sporting events or horse races on which wagering is permitted.

(2) Target individuals under the minimum age to participate in the applicable form of gaming, other individuals who are ineligible to participate in that gaming, individuals with gambling problems, or other vulnerable individuals;

(3) Target college or university students or the area of a college or university campus. This division does not prohibit advertising that is generally available, such as by television, radio, or the internet, and that does not target those students or the area of such a campus.

(4) Appear, or be used or licensed for use, on any product, clothing, toy, game, or gaming equipment that is intended primarily for individuals who are under the minimum age to participate in the applicable form of gaming, including by means of a logo, trademark, or brand;

(5) Advertise any gaming that is not permitted in this state. A gaming advertisement does not violate this division if it makes clear that the gaming or offering is not available or intended for use in this state.

(6) Obscure any material fact;

(7) Be false, deceptive, or misleading;

(8) Promote irresponsible or excessive participation in gaming, or suggest that social, financial, or personal success is guaranteed by engaging in gaming.

(D)(1) Each direct gaming advertisement shall clearly and conspicuously describe a method by which an individual may opt out of receiving future advertisements from the permit holder, video lottery sales agent, online gambling operator, casino operator or management company, or sports gaming proprietor.

(2) If the direct gaming advertisement is sent via electronic mail, the opt out method shall include either electronic mail or a linked web site.

(3) A direct gaming advertisement sent other than by electronic mail shall include at least one of the following methods to opt out:

(a) By telephone;

(b) By regular United States mail;

(c) Using a web site or mobile application;

(d) By electronic mail.

(4) The permit holder, video lottery sales agent, online gambling operator, casino operator or management company, or sports gaming proprietor shall act upon a request for opt out pursuant to division (D) of this section within fifteen days of receipt to ensure that the individual will no longer receive advertisements from the person.

(E) Upon the occurrence of either of the following, a person who disseminates a gaming advertisement immediately shall stop disseminating the advertisement:

(1) The person becomes aware that the gaming advertisement is in violation of this section or of other applicable provisions of the Revised Code regarding gaming or the rules of the commission.

(2) The executive director of the commission orders the person to stop disseminating the gaming advertisement because it fails to comply with this section or with other applicable provisions of the Revised Code or the rules of the commission, or because it otherwise undermines the integrity of gaming.

(F)(1) An affiliate marketer is not required to be licensed by the commission solely as a result of the person's conduct as an affiliate marketer.

(2) The requirements of this section apply to a gaming advertisement disseminated by an affiliate marketer.

(3) The commission may require a permit holder, video lottery sales agent, online gambling operator, casino operator or management company, or sports gaming proprietor to terminate its contract with an affiliate marketer if the commission determines that the affiliate marketer has violated this section, another applicable provision of the Revised Code regarding gaming, or the rules of the commission.

Sec. 3772.98. (A) All of the following persons shall make incident reports to the commission and adopt anti-money laundering procedures in accordance with this section:

(1) A permit holder;

(2) A video lottery sales agent;

(3) An internet gambling operator;

(4) A casino operator or management company;

(5) A sports gaming proprietor.

(B) A person described in division (A) of this section immediately shall report to the commission, in a manner prescribed by its executive director, any information in the person's possession related to any of the following:

(1) Any wager in violation of the Revised Code or the rules adopted thereunder or of federal law;

(2) Any conduct that corrupts a betting outcome for purposes of financial gain;

(3) Any information technology security breach or other compromising information technology risk;

(4) Any breach of confidentiality of a patron's personal information;

(5) Any physical security breach or other compromising risk to patrons, employees, or the commission;

(6) Any other type of incident required by the executive director.

(C) A person described in division (A) of this section shall adopt and implement procedures to prevent, detect, and report to the commission any attempt to launder money through any gaming the person conducts in this state.

Sec. 3772.99. (A) The commission shall levy and collect penalties for noncriminal violations of this chapter. Noncriminal violations include using the term "casino" in any advertisement in regard to a facility operating video lottery terminals, as defined in section 3770.21 of the Revised Code, in this state. Moneys collected from such penalty levies shall be credited to the general revenue fund.

(B) If a licensed casino operator, management company, holding company, gaming-related vendor, or key gaming employee violates this chapter or engages in a fraudulent act, the commission may suspend or revoke the license and may do either or both of the following:

(1) Suspend, revoke, or restrict the casino gaming operations of a casino operator;

(2) Require the removal of a management company, key gaming employee, or discontinuance of services from a gaming-related vendor.

(C) The commission shall impose civil penalties against a person who violates this chapter under the penalties adopted by commission rule.

(D) A person who purposely or knowingly does any of the following commits a misdemeanor of the first degree on the first offense and a felony of the fifth degree for a subsequent offense:

(1) Makes a false statement on an application submitted under this chapter;

(2) Permits a person less than twenty-one years of age to make a wager at a casino facility;

(3) Aids, induces, or causes a person less than twenty-one years of age who is not an employee of the casino gaming operation to enter or attempt to enter a casino facility;

(4) Enters or attempts to enter a casino facility while under twenty-one years of age, unless the person enters a designated area as described in section 3772.24 of the Revised Code;

(5) Is a casino operator or employee and participates in casino gaming at the casino facility at which the casino operator or employee has an interest or is employed or at an affiliated casino facility in this state other than as part of operation or employment.

(E) A person who purposely or knowingly does any of the following commits a felony of the fifth degree on a first offense and a felony of the fourth degree for a subsequent offense. If the person is a licensee under this chapter, the commission shall revoke the person's license after the first offense.

(1) 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;

(2) Cheats at a casino game;

(3) Manufactures, sells, or distributes any cards, chips, dice, game, or device that is intended to be used to violate this chapter;

(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;

(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 the subject of the wager;

(6) Aids a person in acquiring the knowledge described in

division (E)(5) of this section for the purpose of placing, increasing, or decreasing a wager contingent on the outcome of a casino game;

(7) Claims, collects, takes, or attempts to claim, collect, or take money or anything of value in or from a casino game with the intent to defraud or without having made a wager contingent on winning a casino game;

(8) Claims, collects, or takes an amount of money or thing of value of greater value than the amount won in a casino game;

(9) Uses or possesses counterfeit chips, tokens, or cashless wagering instruments in or for use in a casino game;

(10) Possesses a key or device designed for opening, entering, or affecting the operation of a casino game, drop box, or an electronic or a mechanical device connected with the casino game or removing coins, tokens, chips, or other contents of a casino game. This division does not apply to a casino operator, management company, or gaming-related vendor or their agents and employees in the course of agency or employment.

(11) Possesses materials used to manufacture a device intended to be used in a manner that violates this chapter;

(12) Operates a casino gaming operation in which wagering is conducted or is to be conducted in a manner other than the manner required under this chapter~~ or a skill-based amusement machine operation in a manner other than the manner required under Chapter 2915. of the Revised Code~~.

(F) The possession of more than one of the devices described in division (E)(9), (10), or (11) of this section creates a rebuttable presumption that the possessor intended to use the devices for cheating.

(G) A person who purposely or knowingly 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.

(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;

(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;

(H) A person who knowingly or intentionally does any of the following while participating in casino gaming or otherwise transacting with a casino facility as permitted by Chapter 3772. of the Revised Code commits a felony of the fifth degree on a first offense and a felony of the fourth degree for a subsequent offense:

(1) Causes or attempts to cause a casino facility to fail

to file a report required under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, or to fail to file a report or maintain a record required by an order issued under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508;

(2) Causes or attempts to cause a casino facility to file a report required under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, to file a report or to maintain a record required by any order issued under 31 U.S.C. 5326, or to maintain a record required under any regulation prescribed under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508 that contains a material omission or misstatement of fact;

(3) With one or more casino facilities, structures a transaction, is complicit in structuring a transaction, attempts to structure a transaction, or is complicit in an attempt to structure a transaction.

(I) 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.

(J) As used in division (H) of this section:

(1) To be "complicit" means to engage in any conduct of a type described in divisions (A)(1) to (4) of section 2923.03 of the Revised Code.

(2) "Structure a transaction" has the same meaning as in section 1315.51 of the Revised Code.

(K) Premises used or occupied in violation of division (E)

(12) of this section constitute a nuisance subject to abatement under Chapter 3767. of the Revised Code.

Sec. 3774.01. As used in this chapter:

(A) "Commission" means the Ohio casino control commission.

(B) "Entry fee" means cash or cash equivalent that a fantasy contest operator requires to be paid by a fantasy contest player to participate in a fantasy contest.

(C) "Fantasy contest" means a simulated game or contest with an entry fee that satisfies all of the following conditions:

(1) The value of all prizes and awards offered to winning fantasy contest players is established and made known to the players in advance of the contest.

(2) All winning outcomes reflect the relative knowledge and skill of the fantasy contest players and are determined predominantly by accumulated statistical results of the performance of managing rosters of athletes whose performance directly corresponds with the actual performance of athletes in professional sports competitions.

(3) Winning outcomes are not based on randomized or historical events, or on the score, point spread, or any performance of any single actual team or combination of teams or solely on any single performance of an individual athlete or player in any single actual event.

(4) The game or contest does not involve horses or horse racing.

(D) "Fantasy contest operator" means a person that offers fantasy contests with an entry fee for a prize or award to the

general public. Fantasy contest operator does not include a person that offers a pool not conducted for profit as defined under division ~~(XX)~~ (M) of section 2915.01 of the Revised Code.

(E) "Fantasy contest platform" means any digital or online method through which a fantasy contest operator provides access to a fantasy contest.

(F) "Fantasy contest player" means a person who participates in a fantasy contest offered by a fantasy contest operator.

(G) "Holding company" means any corporation, firm, partnership, limited partnership, limited liability company, trust, or other form of business organization not a natural person that directly or indirectly does any of the following:

(1) Has the power or right to control a fantasy contest operator;

(2) Holds an ownership interest of ten per cent or more, as determined by the commission, in a fantasy contest operator;

(3) Holds voting rights with the power to vote ten per cent or more of the outstanding voting rights of a fantasy contest operator.

(H) "Key employee" means a person, employed by a fantasy contest operator, who is responsible for ensuring, and has the authority necessary to ensure, that all requirements under this chapter and the rules adopted under this chapter and division ~~(L)~~ (A)(6) of section 3772.03 of the Revised Code are met.

(I) "Management company" means an organization retained by a fantasy contest operator to manage a fantasy contest platform and provide services such as accounting, general administration,

maintenance, recruitment, and other operational services.

(J) "Material nonpublic information" means information related to the play of a fantasy contest by a fantasy contest player that is not readily available to the general public and is obtained as a result of a person's employment.

(K) "Script" means a list of commands that a fantasy-contest-related computer program can execute and that is created by a fantasy contest player, or by a third party for a fantasy contest player, to automate processes on a fantasy contest platform.

Sec. 3774.02. (A) A fantasy contest operator may not offer a fantasy contest in this state without first obtaining a license from the commission.

(B)(1) In order to obtain or renew a license to operate fantasy contests in this state, a fantasy contest operator shall pay to the commission a nonrefundable license fee.

(2) Unless a license issued under this chapter is suspended, expires, or is revoked, a license may be renewed. After a determination by the commission that the licensee is in compliance with this chapter and rules adopted by the commission under this chapter or division ~~(L)~~ (A)(6) of section 3772.03 of the Revised Code, the license shall be renewed for not more than three years, as determined by commission rule adopted under this chapter or division ~~(L)~~ (A)(6) of section 3772.03 of the Revised Code.

(C) Notwithstanding division (B) of this section, the commission may investigate a licensee at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this chapter and the rules adopted under this

chapter or division (L) of section 3772.03 of the Revised Code. Any fantasy contest operator that applies for or holds a license under this chapter shall establish the operator's suitability for a license by clear and convincing evidence.

Sec. 3774.03. The commission shall adopt rules under Chapter 119. of the Revised Code as are necessary to complete the functions and address the subjects enumerated in division (A) of this section.

(A) The commission may adopt, and as advisable and necessary may amend or repeal, rules that include all of the following:

(1) Prohibiting fantasy contest operator's employees, relatives living in the same household as those employees, and athletes and referees in the underlying professional sports competitions from competing in any public fantasy contest offered by a fantasy contest operator or from sharing any material nonpublic information with third parties;

(2) Ensuring fantasy contest operators prohibit access to both of the following:

(a) Individuals under eighteen years of age;

(b) Individuals who, upon request, seek to restrict themselves from entering fantasy contests.

(3) Ensuring fantasy contest operators segregate fantasy contest player funds from operational funds or maintain a reserve that exceeds the amount of player funds on deposit, which reserve may not be used for operational activities. These reserve funds may take the form of cash, cash equivalents, payment processor reserves, payment processor receivables, an irrevocable letter of credit, a bond, any other method approved

by the commission, or a combination thereof, in an amount that must exceed the total balances of the fantasy contest player's accounts. All reserve funds, except payment processor reserves, shall be maintained by or otherwise under the control of a licensed fantasy contest operator, unless otherwise authorized by the commission.

(4) Prescribing requirements related to beginning players and highly experienced players;

(5) Prescribing requirements for internal procedures, including at a minimum, procedures for all of the following:

(a) Complying with all applicable state and federal requirements to protect the privacy and online security of fantasy contest players and their accounts;

(b) Suspending the accounts of players who violate this chapter and the rules adopted by the commission under this chapter or division ~~(L)~~ (A)(6) of section 3772.03 of the Revised Code;

(c) Providing fantasy contest players with access to information on playing responsibly and seeking assistance for compulsive behavior;

(d) Establishing the maximum number of entries that a fantasy contest player may submit to each fantasy contest;

(e) Any other procedure that the commission determines necessary in the rules adopted under this chapter or division ~~(L)~~ (A)(6) of section 3772.03 of the Revised Code.

(6) Requiring a license application to require an applicant for a fantasy contest operator license to designate at least one key employee as a condition to obtain a license;

(7) Establishing the length of time, which shall be not more than three years, that a fantasy contest operator license and renewal license shall be valid;

(8) Establishing the fee for obtaining or renewing a license, which shall not exceed ten thousand dollars for each year of a license and a total of thirty thousand dollars for a three-year license, and which may be paid in equal installments on an annual basis over the term of the license; and

(9) Any other procedure or thing that the commission determines necessary to ensure the integrity of fantasy contests.

(B) The commission may not adopt rules to do either of the following:

(1) Limit or regulate the statistical makeup of a game or contest, or the digital platform of a fantasy contest operator; or

(2) Require licensure of any persons other than fantasy contest operators, holding companies, or management companies.

(C) Nothing in this section prohibits the commission from adopting rules establishing consumer protections.

Sec. 3774.04. (A) Each fantasy contest operator shall retain and maintain in a place secure from theft, loss, or destruction all of the records required to be maintained by this chapter for at least five years from the date of the record's creation.

(B) Each fantasy contest operator shall retain and maintain accurate, complete, legible, and permanent records, whether in electronic or other format, of any books, records, or

documents relating to the fantasy contest operator's business and accounting operations, which includes all of the following:

(1) The fantasy contest operator's business and organizational structure;

(2) Correspondence with or by, or reports to or from, the commission, or any local, state, or federal governmental agency, foreign or domestic;

(3) The fantasy contest operator's financial statements, accounting records, ledgers, and internal and external audit records;

(4) All records related to the conduct of fantasy contests by the fantasy contest operator in this state;

(5) Any materials used to advertise, publicize, or otherwise promote the fantasy contest operator's fantasy contests in this state;

(6) Any other books, records, or documents the commission requires the fantasy contest operator to retain and maintain, in rules adopted by the commission under this chapter or division ~~(L)~~ (A)(6) of section 3772.03 of the Revised Code.

(C) Each fantasy contest operator shall organize all required records in a manner that enables the commission to locate, inspect, review, and analyze the records with reasonable ease and efficiency and, upon request, provide the commission or its executive director, or duly authorized designee thereof, with the records required to be retained and maintained by this section.

Sec. 3774.09. Fantasy contests offered in accordance with this chapter and the rules adopted by the commission under this

chapter or division ~~(L)~~ (A)(6) of section 3772.03 of the Revised Code are exempt from Chapter 2915. of the Revised Code.

Sec. 3775.01. As used in this chapter:

(A) "Applicant" means a person that applies to the Ohio casino control commission for a license under this chapter.

(B) "Casino operator" ~~has~~ and "Ohio voluntary exclusion program" have the same ~~meaning~~ meanings as in section 3772.01 of the Revised Code.

(C) "Collegiate sport or athletic event" means a sport or athletic event offered or sponsored by, or played in connection with, a public or private institution that offers educational services beyond the secondary level.

(D) "Commission" means the Ohio casino control commission.

(E) "Esports event" means an organized video game competition that is regulated by a sports governing body and that is held between professional players who play individually or as teams.

(F) "Lottery sports gaming" has the same meaning as in section ~~3770.23~~ 3770.01 of the Revised Code.

(G)(1) "Mobile management services provider" means a person that contracts with a type A sports gaming proprietor under section 3775.05 of the Revised Code to operate sports gaming on behalf of the sports gaming proprietor and that is licensed by the Ohio casino control commission as a mobile management services provider under that section.

(2) "Management services provider" means a person that contracts with a type B sports gaming proprietor under section 3775.051 of the Revised Code to operate sports gaming on behalf

of the sports gaming proprietor and that is licensed by the Ohio casino control commission as a management services provider under that section.

(H) "Official league data" means statistics, results, outcomes, and other data related to a sporting event provided by the appropriate sports governing body or its designee.

(I) "Online sports pool" means sports gaming in which a wager on a sporting event is made through a computer or mobile device and accepted through an online gaming web site that is operated by a type A sports gaming proprietor or mobile management services provider.

(J) "Professional sport or athletic event" means an event at which two or more persons participate in sports or athletic events and receive compensation, or the potential for compensation based on their performance, in excess of actual expenses for their participation in the event.

(K) "Professional sports organization" means any of the following:

(1) The owner of a professional sports team in this state that is a member of the national football league, the national hockey league, major league baseball, major league soccer, or the national basketball association;

(2) The owner of a sports facility in this state that hosts an annual tournament on the professional golf association tour or a wholly owned for-profit subsidiary of the owner, if the owner is a nonprofit corporation or organization;

(3) A promoter of a national association for stock car auto racing national touring race conducted in this state.

(L) "Promotional gaming credit" means a credit, discount, or other similar item issued to a patron to enable the placement of, or increase in, a wager on a sporting event.

(M) "Proposition bet" means a wager on a sporting event that is based on whether an identified instance or statistical achievement will occur, will be achieved, or will be surpassed, other than the score or outcome of the sporting event or parts of the sporting event, such as quarters, halves, periods, or innings.

(N)(1) Except as otherwise provided in divisions (N)(2) and (3) of this section, "sporting event" means any professional sport or athletic event, any collegiate sport or athletic event, any Olympic or international sports competition event, any motor race event, any esports event, or any other special event the Ohio casino control commission authorizes for sports gaming, the individual performance statistics of athletes or participants in such an event, or a combination of those.

(2) "Sporting event" does not include an event for primary or secondary school students, whether conducted or sponsored by a primary or secondary school or by another person, or the individual performance statistics of athletes or participants in such an event.

(3) "Sporting event" includes an event that involves athletes or participants who are under eighteen years of age, or the individual performance statistics of athletes or participants in the event, only if the Ohio casino control commission authorizes the event for sports gaming.

(O)(1) "Sports gaming" means the business of accepting wagers on sporting events.

(2) Except as otherwise provided in division (O)(3) of this section and in section 3770.25 of the Revised Code, "sports gaming" includes any system or method of wagering on sporting events that the Ohio casino control commission approves, including exchange wagering, parlays, spreads, over-under, moneyline, in-game wagering, single game bets, teaser bets, in-play bets, proposition bets, pools, pari-mutuel sports wagering pools, or straight bets.

(3) "Sports gaming" does not include any of the following:

(a) Wagering on horse racing;

(b) Lottery games authorized under Chapter 3770. of the Revised Code, including video lottery terminals, other than lottery sports gaming authorized under sections ~~3770.23 to 3770.24 and~~ 3770.25 of the Revised Code;

(c) Casino gaming authorized under division (C) of Section 6 of Article XV, Ohio Constitution and Chapter 3772. of the Revised Code;

(d) Fantasy contests authorized under Chapter 3774. of the Revised Code.

(P) "Sports gaming equipment" means any of the following that directly relate to or affect, or are used or consumed in, the operation of sports gaming:

(1) Any mechanical, electronic, or other device, mechanism, or equipment, including a self-service sports gaming terminal;

(2) Any software, application, components, or other goods;

(3) Anything to be installed or used on a patron's personal device.

(Q) "Sports gaming facility" means a designated area of a building or structure in which patrons may place wagers on sporting events with a type B sports gaming proprietor either in person or using self-service sports gaming terminals.

(R) "Sports gaming license" means a sports gaming proprietor license, a mobile management services provider license, a management services provider license, ~~a sports gaming occupational license,~~ a type C sports gaming host license, or a sports gaming supplier license issued by the Ohio casino control commission under this chapter and a key gaming employee or gaming employee license issued by the commission under Chapter 3772. of the Revised Code to an individual whose duties relate to the operation or facilitation of sports gaming under this chapter.

(S) "Sports gaming licensee" means a person who holds a valid sports gaming license.

(T) "Sports gaming proprietor" means a person licensed by the Ohio casino control commission to offer sports gaming in this state as a type A, type B, or type C sports gaming proprietor.

(U) "Sports gaming receipts" has the same meaning as in section 5753.01 of the Revised Code.

(V)(1) "Sports gaming supplier" means a person or entity that provides sports gaming equipment or related services to a sports gaming proprietor, mobile management services provider, or management services provider, including providing services, directly or indirectly, that are necessary to create a betting market or to determine bet outcomes.

(2) A sports gaming supplier that provides sports gaming

equipment or services to be used through a sports gaming proprietor, mobile management services provider, or management services provider is not considered a sports gaming proprietor, mobile management services provider, or management services provider solely on that basis.

(3) A sports governing body that provides official league data concerning its own sporting event to a sports gaming proprietor, mobile management services provider, management services provider, or sports gaming supplier is not considered a sports gaming supplier solely on that basis.

(W) "Sports gaming voluntary exclusion program" means the program described in division (B)(11) of section 3775.02 of the Revised Code.

(X) "Sports governing body" means a regional, national, or international organization having ultimate authority over the rules and codes of conduct with respect to a sporting event and the participants in the sporting event.

(Y) "Type A sports gaming proprietor" means a sports gaming proprietor licensed by the Ohio casino control commission to offer sports gaming through an online sports pool.

(Z) "Type B sports gaming proprietor" means a sports gaming proprietor licensed by the Ohio casino control commission to offer sports gaming at a sports gaming facility.

(AA) "Type C sports gaming proprietor" means a sports gaming proprietor licensed by the Ohio casino control commission to offer sports gaming through self-service or clerk-operated sports gaming terminals located at type C sports gaming hosts' facilities.

(BB) "Type C sports gaming host" means the owner of a

facility with an A-1-A, A-1c, D-1, D-2, or D-5 liquor permit issued under Chapter 4303. of the Revised Code who is licensed by the Ohio casino control commission to offer sports gaming at the facility through a type C sports gaming proprietor.

(CC) "Video lottery sales agent" ~~means an agent of the state lottery authorized to operate video lottery terminals under~~ has the same meaning as in section ~~3770.21~~ 3770.01 of the Revised Code.

(DD) "Wager" or "bet" means to risk a sum of money or thing of value on an uncertain occurrence.

Sec. 3775.02. (A) The Ohio casino control commission shall have jurisdiction over all persons conducting or participating in the conduct of sports gaming authorized by this chapter or by sections ~~3770.23 to~~ 3770.24 and 3770.25 of the Revised Code, including the authority to license, regulate, investigate, and penalize those persons in a manner that is consistent with the commission's authority with respect to casino gaming. In all cases in which this chapter requires or allows the commission to adopt rules concerning sports gaming, the commission shall adopt those rules under Chapter 119. of the Revised Code.

(B) The commission shall adopt rules that include all of the following:

(1) Procedures for a sports gaming proprietor to accept wagers on a sporting event or series of sporting events;

(2) The types of wagering tickets sports gaming proprietors are to use;

(3) The manner in which sports gaming proprietors are to issue tickets;

(4) The type of records sports gaming licensees are to keep;

(5) The system to be used to place a wager with a sports gaming proprietor;

(6) The manner in which sports gaming proprietors must verify that their patrons are at least twenty-one years of age;

(7) Protections for a player placing a wager with a sports gaming proprietor;

(8) Measures to promote responsible sports gaming;

(9) Penalties and fines for violating this section or rules adopted under this section;

(10) Restrictions to ensure that sports gaming proprietors' advertisements for sports gaming meet ~~all of~~ the ~~following~~ requirements~~:~~

~~(a) They clearly convey the conditions under which sports gaming is being offered, including information about the cost to participate and the nature of any promotions and information to assist patrons in understanding the odds of winning;~~

~~(b) They disclose the identity of the sports gaming proprietor and, if applicable, the mobile management services provider or management services provider;~~

~~(c) They do not target individuals under twenty-one years of age, other individuals who are ineligible to participate in sports gaming, problem gamblers, or other vulnerable individuals;~~

~~(d) They include messages designed to prevent problem gambling and provide information about how to access resources~~

~~related to problem gambling;~~

~~(c) They are not false, misleading, or deceptive to a reasonable consumer~~ of section 3772.41 of the Revised Code.

(11) A requirement that each sports gaming proprietor comply with the requirements of the Ohio voluntary exclusion program~~, which shall allow a person to voluntarily exclude the person's self from participating in sports gaming conducted under this chapter by placing the person's name on a voluntary exclusion list and following procedures set forth by the commission~~.

~~(a) All of the following apply to the sports gaming voluntary exclusion program:~~

~~(i) Except as provided by the commission by rule, a person who participates in the program shall agree to refrain from participating in sports gaming conducted under this chapter.~~

~~(ii) The name of a person participating in the program shall be included on a list of persons excluded from participating in sports gaming conducted under this chapter.~~

~~(iii) Except as provided by the commission by rule, no person who participates in the program shall petition the commission for admittance into a sports gaming facility or for permission to participate in sports gaming conducted under this chapter.~~

~~(iv) The list of persons participating in the program and the personal information of those persons shall be confidential and shall only be disseminated by the commission to the state lottery commission, to a sports gaming proprietor and its agents and employees for purposes of enforcement, and to other entities, upon request of the participant and agreement by the~~

~~commission.~~

~~(v) A sports gaming proprietor shall make all reasonable attempts as determined by the commission to cease all direct marketing efforts to a person participating in the program.~~

~~(vi) A sports gaming proprietor shall not cash the check of a person participating in the program or extend credit to the person in any manner. However, the program shall not exclude a sports gaming proprietor from seeking the payment of a debt accrued by a person before participating in the program.~~

~~(vii) Any and all locations at which a person may register as a participant in the program shall be published.~~

~~(b) The commission shall determine, by rule, whether a participant in the sports gaming voluntary exclusion program also automatically becomes a participant in the voluntary exclusion program established under Chapter 3772. of the Revised Code. The state lottery commission shall determine, by rule, whether a participant in the sports gaming voluntary exclusion program also automatically becomes a participant in any voluntary exclusion program established under Chapter 3770. of the Revised Code.~~

(12) A procedure by which a sports governing body may request anonymized sports gaming data from a sports gaming proprietor if the sports governing body believes that the integrity of one of its sporting events is in question.

(13) A procedure by which a state university may request anonymized sports gaming data from a sports gaming proprietor for the purpose of conducting research to assist the commission in ensuring the integrity of sports gaming or to improve state-funded services related to responsible gambling and problem

gambling. The data are not a public record, and the state university shall not disclose the data to any person, except for the purpose of conducting the research described in this division, as part of a peer-reviewed research report, or pursuant to an agreement between the state university and the sports gaming proprietor. As used in this division, "state university" has the same meaning as in section 3345.011 of the Revised Code.

(14) Any other procedure or thing the commission determines necessary to ensure the integrity of sports gaming regulated by the commission.

(C)(1) The commission may, independently or at the request of any person, including a sports governing body, adopt rules to prohibit or restrict sports gaming proprietors from accepting wagers on a particular sporting event or to prohibit or restrict sports gaming proprietors from accepting a particular type of wager.

(2) The commission shall adopt rules prescribing a process by which the commission may prohibit or restrict sports gaming proprietors from accepting wagers on a particular sporting event or prohibit or restrict sports gaming proprietors from accepting a particular type of wager on a temporary emergency basis instead of by rule.

(3)(a) A sports governing body may formally request the commission to prohibit or restrict sports gaming proprietors from accepting wagers on a particular sporting event or to prohibit or restrict sports gaming proprietors from accepting a particular type of wager. The sports governing body shall submit the formal request in the form and manner prescribed by the commission. Upon receiving the request, the commission promptly

shall send written notice of the request to every sports gaming proprietor and shall consider any timely response submitted by a sports gaming proprietor.

(b) If the commission determines that the sports governing body has shown good cause through its formal request to grant the requested prohibition or restriction, the commission promptly shall adopt the prohibition or restriction.

(c) If the commission determines that the sports governing body has not shown good cause through its formal request to grant the requested prohibition or restriction, the commission promptly shall provide the sports governing body with notice and an opportunity for a hearing to offer further evidence in support of granting the requested prohibition or restriction.

(D) The commission shall adopt rules establishing minimum internal control standards for the administration of sports gaming proprietors' operations, sports gaming equipment, systems, or other items used by sports gaming proprietors to conduct sports gaming, and the maintenance of sports gaming proprietors' financial records and other required records. The commission may approve minimum internal control standards proposed by sports gaming proprietors.

~~(E)(1)~~ (E) The commission shall approve all sports gaming equipment and each form, variation, or composite of sports gaming to be used by sports gaming proprietors in accordance with section 3772.312 of the Revised Code and shall license all sports gaming suppliers.

~~(2)(a) Before approving a piece of sports gaming equipment or a form, variation, or composite of sports gaming, the commission shall require it to undergo scientific testing or~~

~~technical evaluation, as the commission determines appropriate. The commission may require the testing or evaluation to be conducted at the expense of the sports gaming supplier or sports gaming proprietor, as applicable, by an independent testing laboratory certified by the commission.~~

~~(b) The commission may certify an independent testing laboratory to test and evaluate sports gaming equipment and forms, variations, or composites of sports gaming if both of the following apply:~~

~~(i) The laboratory is competent and qualified to scientifically test and technically evaluate sports gaming equipment and forms, variations, or composites of sports gaming for compliance with this chapter and with the rules of the commission and otherwise to perform the functions assigned to the laboratory by the commission;~~

~~(ii) The laboratory is not owned or controlled by, is not affiliated with, and does not have any interest in a sports gaming proprietor, mobile management services provider, management services provider, sports gaming supplier, or sports governing body.~~

~~(c) The commission shall adopt rules prescribing the certification standards, fees, and duties that apply to a certified independent testing laboratory under division (E) of this section.~~

~~(3) The commission shall adopt rules requiring sports gaming licensees and sports gaming facilities to use only approved sports gaming equipment acquired from a licensed sports gaming supplier and to use only approved forms, variations, or composites of sports gaming.~~

(F)(1) The commission shall determine a person's eligibility to hold or renew a sports gaming license under this chapter, shall issue all sports gaming licenses, and shall maintain a record of all sports gaming licenses issued under this chapter.

(2) The commission shall conduct a complete investigation of each applicant for a sports gaming license to determine whether the applicant meets the requirements of this chapter and of the commission's rules each time the applicant applies for an initial or renewed sports gaming license. The commission may initiate an additional licensing investigation or adjudication or reopen an existing licensing investigation or adjudication at any time.

(G)(1) Except as otherwise provided in divisions (G)(2) and (3) of this section, the commission shall levy and collect all fees and surcharges imposed under this chapter and rules adopted under this chapter and shall deposit all moneys collected in the casino control commission fund created under section 5753.03 of the Revised Code.

(2) Of the license fees described in division (E) of section 3775.04, division (B)(3) of section 3775.05, and division (B)(3) of section 3775.051 of the Revised Code, the commission shall deposit ~~one half~~ one-half of one per cent in the sports gaming profits veterans fund created under section 5902.22 of the Revised Code and shall deposit the remainder in the sports gaming revenue fund created under section 5753.031 of the Revised Code.

(3) The commission shall levy and collect fines for noncriminal violations of the provisions of this chapter and of rules adopted under this chapter and shall deposit all such

fines in the sports gaming revenue fund created under section 5753.031 of the Revised Code.

(H)(1) The commission, in an adjudication conducted under Chapter 119. of the Revised Code and in accordance with section 3772.04 of the Revised Code, may do any of the following:

(a) Penalize or fine any sports gaming licensee, applicant for a sports gaming license, or other person who is subject to the commission's jurisdiction under this chapter;

(b) Limit, condition, restrict, suspend, revoke, deny, or refuse to renew any sports gaming license.

(2) The executive director of the commission may issue an emergency order with respect to sports gaming under division (G) of section 3772.04 of the Revised Code.

(I)(1) The commission shall monitor all sports gaming conducted in this state by sports gaming proprietors, or shall contract with an independent integrity monitoring provider for that purpose, in order to identify any unusual betting activities or patterns that may indicate a need for further investigation. The commission shall require each sports gaming proprietor to participate in the monitoring system as part of the minimum internal control standards described in division (D) of this section.

(2) The information in the monitoring system described in division (I)(1) of this section is not a public record. The commission may disclose the information in the monitoring system only as necessary for investigative or law enforcement purposes or pursuant to a court order.

(J)(1) The executive director of the commission promptly shall report to the commission any facts or circumstances

related to the operation of a sports gaming licensee that constitute a violation of state or federal law and immediately report any suspicious wagering to the appropriate state or federal authorities.

(2) The commission shall cooperate with any investigation conducted by a law enforcement agency or sports governing body, including by providing, or facilitating the provision of, wagering information and audio or video files related to persons placing wagers, provided that the commission shall not be required to provide any information to a sports governing body that would jeopardize an ongoing criminal investigation.

(3) A sheriff, chief of police, or prosecuting attorney shall furnish to the commission, on forms prescribed by the commission, any information obtained concerning any apparent violation of this chapter or rules adopted under this chapter. If the information is considered a confidential law enforcement investigatory record under section 149.43 of the Revised Code, the commission shall not disclose the information to the public.

(K)(1) The attorney general has a civil cause of action to restrain any violation of this chapter or of rules adopted under this chapter. Upon the request of the commission or its executive director, the attorney general shall commence and prosecute such an action to completion. The court shall give priority to such an action over all other civil actions.

(2) An action brought under division (K)(1) of this section does not preclude an administrative or criminal proceeding on the same facts.

(3) The attorney general may enter into an agreement with a state or local law enforcement agency to carry out the duties

described in division (K)(1) of this section.

Sec. 3775.03. (A)(1) Except as otherwise provided in division (A)(2) of this section, no person shall operate, conduct, or assist in operating or conducting sports gaming in this state without first obtaining an appropriate sports gaming license from the Ohio casino control commission. A sports gaming license is not transferable.

(2) The state lottery commission is not required to receive a sports gaming license in order to operate lottery sports gaming under sections ~~3770.23 to~~ 3770.24 and 3770.25 of the Revised Code.

(B) Each person applying for an initial or renewed sports gaming license issued under this chapter, other than a type C sports gaming host license, and each individual who has control of the applicant as described in division (C) of this section, shall submit two complete sets of fingerprints to the commission for the purpose of conducting a criminal records check, including obtaining any available information from the federal bureau of investigation. The person shall provide the fingerprints using a method the superintendent of the bureau of criminal identification and investigation prescribes pursuant to division (C)(2) of section 109.572 of the Revised Code and fill out the form the superintendent of the bureau of criminal identification and investigation prescribes pursuant to division (C)(1) of section 109.572 of the Revised Code. Upon receiving an application under this section, the executive director of the Ohio casino control commission shall request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the fingerprint impressions in accordance with

division (A)(19) of section 109.572 of the Revised Code. Any fee required under division (C)(3) of section 109.572 of the Revised Code shall be paid by the applicant, or in the case of an occupational license, by the applicant's employer. Any applicant convicted of any disqualifying offense, as defined in section 3772.07 of the Revised Code, shall not be issued a license.

(C) The Ohio casino control commission shall not grant a sports gaming proprietor, mobile management services provider, management services provider, or sports gaming supplier license until it has determined that each person who has control of the applicant has met the qualifications for sports gaming licensure established in this chapter and in rules adopted by the commission. All of the following persons are considered to have control of an applicant:

(1) Each person associated with a corporate applicant, including any corporate holding company, parent company, or subsidiary company of the applicant, that has the ability to control the activities of the corporate applicant or elect a majority of the board of directors of that corporation, other than any bank or other licensed lending institution that holds a mortgage or other lien acquired in the ordinary course of business;

(2) Each person associated with a noncorporate applicant that directly or indirectly holds a beneficial or proprietary interest in the applicant's business operation or that the commission otherwise determines has the ability to control the applicant;

(3) Key personnel of an applicant, including any executive, employee, or agency, having the power to exercise significant influence over decisions concerning any part of the

applicant's business operation.

(D) A sports gaming proprietor, mobile management services provider, or management services provider shall display its license conspicuously in its place of business or have the license available for inspection by any agent of the Ohio casino control commission or any law enforcement agency. ~~Each holder of an occupational license issued under section 3775.06 of the Revised Code shall have an indicator of licensure prominently displayed when present in a sports gaming facility at all times, in accordance with the rules of the commission.~~ Each type C sports gaming host shall display its license conspicuously in its place of business.

~~(E) A~~ (E)(1) Except as otherwise provided in division (E)(2) of this section, a sports gaming ~~licensee~~ proprietor, mobile management services provider, management services provider, or sports gaming supplier or an applicant for one of those licenses shall give the Ohio casino control commission written notice within ten days of any material change to any information provided in the licensee's application for a license or renewal, as required under section 3772.113 of the Revised Code. ~~The commission shall specify by rule which changes to that information it considers to be material.~~

(2) A sports gaming proprietor that is a professional sports organization or an applicant for such a license shall give the commission written notice within ten days of any of the following:

(a) Any change of name;

(b) Any change of address;

(c) Any change of primary telephone number or electronic

mail address;

(d) Any change to the state of incorporation or principal place of business;

(e) Any investigation commenced by or action filed by a gaming regulatory agency or government gaming authority, except for routine renewal application reviews;

(f) Any changes to the professional sports organization's status, including changes regarding its membership in a league, association, or organization with a policy preventing it from being subject to the regulatory control of the commission or from otherwise operating under a license, as well as any changes to that policy itself;

(g) Any other changes designated on an applicable update form prescribed by the commission;

(h) Any other information required by the commission by rule.

(3) A type C sports gaming host or an applicant for such a license shall give the commission written notice within ten days of any of the following:

(a) Any change of name;

(b) Any change of address;

(c) Any change of primary telephone number or electronic mail address;

(d) Any change to any A-1A, A-1C, D-1, D-2, or D-5 liquor permit held and issued under Chapter 4303. of the Revised Code;

(e) Any change to any lottery sales agent license held and issued Chapter 3770. of the Revised Code;

(f) Any change to the person's recommendation for the license from the state lottery commission;

(g) Any other changes designated on an applicable update form prescribed by the commission;

(h) Any other information required by the commission by rule.

Sec. 3775.06. ~~(A)(1)~~ An individual described in division (A) of section 3772.13 of the Revised Code shall hold a valid key gaming employee license issued by the Ohio casino control commission under that section at all times. An individual whose duties ~~include any of the following~~ with respect to sports gaming are as described in division (A) of section 3772.131 of the Revised Code shall hold ~~an appropriate and~~ a valid ~~sports~~ gaming ~~occupational~~ employee license issued by the Ohio casino control commission under that section at all times~~:~~.

~~(a) Accepting wagers on sporting events on behalf of a sports gaming proprietor;~~

~~(b) Handling money as part of operating sports gaming on behalf of a sports gaming proprietor, including a cashier, change person, count team, or coin wrapper;~~

~~(c) Providing security for the operation of sports gaming by a sports gaming proprietor, including a guard or observer, other than providing general security at a type C sports gaming host's facility;~~

~~(d) Performing other duties such that the individual has the ability to alter material aspects of sports gaming conducted by a sports gaming proprietor.~~

~~(2) An individual is not required to have a sports gaming~~

~~occupational license if the individual's duties are related solely to nongaming activities such as entertainment, maintenance, or preparing or serving food or beverages, including an individual who is, or is employed by, a type C sports gaming host.~~

~~(3) The commission shall issue a sports gaming occupational license to an individual who meets the requirements of this chapter and of the commission's rules, provided that the commission's rules shall not require an applicant for a sports gaming occupational license who currently holds a video lottery license issued under Chapter 3770. or a license issued under Chapter 3772. of the Revised Code to take action to satisfy any additional requirement for the sports gaming occupational license that is substantially similar to any requirement the applicant previously has satisfied in order to obtain or renew the applicant's video lottery license or license issued under Chapter 3772. of the Revised Code.~~

~~(B) A sports gaming occupational license permits the licensee to be employed in the capacity the commission designates during the duration of the license. The commission may establish by rule job classifications with different requirements.~~

~~(C)(1) An applicant for an initial or renewed sports gaming occupational license shall apply for the license on a form prescribed by the commission and shall pay the fee required under division (C)(3) of section 109.572 of the Revised Code, along with a nonrefundable application fee of one hundred dollars. The commission may annually increase the amount of the application fee in an amount that does not exceed the percentage increase in the consumer price index for the previous year, as~~

~~necessary to cover the cost of processing the application. As used in this division, "consumer price index" means the consumer price index for all urban consumers or its successive equivalent, as determined by the United States department of labor, bureau of labor statistics, or its successor in responsibility, for all items, Series A.~~

~~(2) Upon receiving an initial or renewed sports gaming occupational license, the applicant shall pay a nonrefundable license fee of fifty dollars.~~

~~(3) An applicant's employer may pay the fees described in divisions (C)(1) and (2) of this section on behalf of the applicant.~~

~~(D) The commission may adopt rules allowing an individual who holds a sports gaming occupational license from another jurisdiction to be licensed in this state by reciprocity, so long as that jurisdiction's requirements to receive that license and the activities authorized by the license are substantially similar to those of this state with respect to the license the individual seeks.~~

~~(E) A sports gaming occupational license shall be valid for a term of three years. In order to renew a sports gaming occupational license, the licensee shall apply to the commission for a renewed license in the same manner as for an initial license.~~

Sec. 3775.09. (A) An applicant for a sports gaming license, other than a type C sports gaming host license, shall establish the applicant's suitability for the license by clear and convincing evidence.

(B) The Ohio casino control commission shall not grant a

sports gaming license, other than a type C sports gaming host license, to an applicant if evidence satisfactory to the commission exists that the applicant has done any of the following:

(1) Knowingly made a false statement to the commission;

(2) Been suspended from operating a gambling game, gaming device, or gaming operation, or had a license revoked by any governmental unit of a national, state, or local body exercising governmental functions;

(3) Been convicted of a disqualifying offense, as defined in section 3772.07 of the Revised Code;

(4) Been directly involved in or employed by any offshore wagering market that illegally serviced the United States or otherwise accepted illegal wagers from individuals located in the United States on or after April 16, 2015.

(C) The commission may deny a sports gaming proprietor, mobile management services provider, or management services provider license to any applicant, reprimand any sports gaming proprietor, mobile management services provider, or management services provider, or suspend or revoke a sports gaming proprietor, mobile management services provider, or management services provider license if any of the following are true:

(1) The applicant or licensee has not demonstrated to the commission's satisfaction financial responsibility sufficient to adequately meet the requirements of the enterprise.

(2) The applicant or licensee is not the true owner of the business or is not the sole owner and has not disclosed the existence or identity of other persons who have an ownership interest in the business.

(3) The applicant or licensee is a corporation that sells more than five per cent of the corporation's voting stock, or more than five per cent of the voting stock of a corporation that controls the corporation, or sells the corporation's assets, other than those bought and sold in the ordinary course of business, or any interest in the assets, to any person who, under division (C) of section 3775.03 of the Revised Code, must meet the qualifications of a sports gaming proprietor, mobile management services provider, or management services provider, as applicable, and who has not already been determined by the commission to have met the applicable qualifications.

(D)(1) The commission shall revoke a sports gaming proprietor license that was issued or renewed because of the preference described in division (A) of section 3775.041 of the Revised Code if the sports gaming proprietor ceases to qualify as a professional sports organization, if the casino operator ceases to be a casino operator, or if the video lottery sales agent ceases to be a video lottery sales agent, as applicable.

(2) The commission shall revoke a type C sports gaming host license if the licensee ceases to hold a valid class D liquor permit for the facility issued under Chapter 4303. of the Revised Code.

(E) The commission shall not grant a sports gaming license to any of the following persons:

(1) A nonprofit corporation or organization;

(2) An individual who is under twenty-one years of age;

(3) An employee of the commission.

(F) In reviewing an application for a license under this chapter, the commission may rely on or consider the last

investigation it conducted concerning the applicant, or the last license it issued to the applicant, under this chapter or Chapter 3770., 3771., or 3772. of the Revised Code.

Sec. 3775.10. (A) A sports gaming proprietor shall do all of the following:

(1) Conduct all sports gaming activities and functions in a manner that does not pose a threat to the public health, safety, or welfare of the citizens of this state;

(2) ~~Adopt comprehensive house rules for game play governing sports gaming transactions with its patrons, including rules that specify the amounts to be paid on winning wagers and the effect of schedule changes, and submit them to the Ohio casino control commission for approval before implementing them. The sports gaming proprietor shall publish its house rules as part of its minimum internal control standards, shall display the house rules, together with any other information the commission considers appropriate, conspicuously in each sports gaming facility and in any other place or manner prescribed by the commission, and shall make copies of its house rules readily available to patrons.~~

~~(3)~~ Keep current in all payments and obligations to the commission;

~~(4)~~ (3) Provide a secure location for the placement, operation, and use of sports gaming equipment;

~~(5)~~ (4) Prevent any person from tampering with or interfering with the operation of sports gaming;

~~(6)~~ (5) Employ commercially reasonable methods to prevent the sports gaming proprietor and its agents and employees from disclosing any confidential information in the possession of the

sports gaming proprietor that could affect the conduct of sports gaming;

~~(7)~~ (6) Ensure that sports gaming conducted at a sports gaming facility is within the sight and control of designated employees of the sports gaming proprietor and that sports gaming is conducted under continuous observation by security equipment in conformity with the specifications and requirements of the commission;

~~(8)~~ (7) Ensure that sports gaming occurs only in the locations and manner approved by the commission;

~~(9)~~ (8) Ensure that all sports gaming is monitored in accordance with division (I) of section 3775.02 of the Revised Code;

~~(10)~~ (9) Maintain sufficient funds and other supplies to conduct sports gaming at all times;

~~(11)~~ (10) Maintain daily records showing the sports gaming proprietor's sports gaming receipts and timely file with the commission any additional reports required by rule or by other provisions of the Revised Code;

~~(12) Withhold all required amounts from patrons' sports gaming winnings;~~

~~(13) Submit to the commission, each fiscal year, an audit of the sports gaming proprietor's financial transactions and the condition of the sports gaming proprietor's total operations prepared by a certified public accountant in accordance with generally accepted accounting principles and applicable state and federal laws;~~

~~(14) Submit to the commission, at least once every three~~

~~years, an audit of the sports gaming proprietor's information technology systems and security protocols prepared by a qualified, independent, and capable third party, as determined by, and in a manner approved by, the commission;~~

~~(15)~~ (11) Promptly provide anonymized sports gaming data to a sports governing body or a state university that submits a valid request for the data under division (B)(13) or (14) of section 3775.02 of the Revised Code;

(12) Comply with all applicable requirements of Chapter 3772. of the Revised Code.

(B) ~~A sports gaming proprietor immediately shall report to the commission any information in the sports gaming proprietor's possession related to any of the following:~~

~~(1) Any wager in violation of this chapter or rules adopted under this chapter or of federal law;~~

~~(2) Abnormal sports gaming activity or patterns that may indicate a concern regarding the integrity of a sporting event;~~

~~(3) Suspicious wagering activities;~~

~~(4) Any conduct that corrupts a wagering outcome of a sporting event for purposes of financial gain;~~

~~(5) Any criminal or disciplinary proceedings commenced against the sports gaming proprietor by any person other than the commission in connection with the sports gaming proprietor's operations.~~

~~(C)~~ A sports gaming proprietor may manage risk associated with wagers by rejecting or pooling one or more wagers or by laying off one or more wagers with another sports gaming proprietor.

~~(D)~~ (C) A sports gaming proprietor may employ a system that offsets loss or manages risk in the operation of sports gaming under this chapter through the use of a liquidity pool in another jurisdiction in which the sports gaming proprietor or an affiliate or other third party also holds licensure, provided that at all times adequate protections are maintained to ensure sufficient funds are available to pay patrons.

~~(E)~~ (D) A sports gaming proprietor may provide promotional gaming credits or bonuses to patrons, subject to the requirements of section 3772.231 of the Revised Code and oversight by the commission.

~~(F)~~ (E) If a sports gaming patron does not claim a winning wager from a sports gaming proprietor within one year from the last day on which the sporting event is held, the sports gaming proprietor's obligation to pay the winnings shall expire, and the sports gaming proprietor shall remit the winnings to the commission, which shall deposit them in the sports gaming revenue fund.

~~(G)~~ (F) A sports gaming proprietor is not liable under the laws of this state to any party, including a patron, for disclosing information as required under this chapter or for refusing to disclose information that is not required by law to be disclosed.

~~(H)(1)~~ (G)(1) A sports gaming proprietor shall maintain the confidentiality of any information provided to the sports gaming proprietor by a sports governing body that the sports governing body designates as confidential, except as otherwise required by law or by order of the commission. The sports gaming proprietor shall not use such confidential information for business or marketing purposes, except with the express written

approval of the sports governing body.

(2) A sports governing body shall maintain the confidentiality of any information provided to the sports governing body by a sports gaming proprietor that the sports gaming proprietor designates as confidential, except as otherwise required by law or by order of the commission. The sports governing body shall not use such confidential information for business or marketing purposes, except with the express written approval of the sports gaming proprietor.

Sec. 3775.11. (A) A type A sports gaming proprietor may operate one or more online sports pool web sites and accompanying mobile applications through which the sports gaming proprietor accepts wagers from individuals who are at least twenty-one years of age and who are physically located in this state. The sports gaming proprietor shall use ~~location based geoblocking~~ technology that meets the requirements of section 3772.313 of the Revised Code and that is obtained from a sports gaming supplier to prohibit individuals who are not physically present in this state from participating in sports gaming through an online sports pool.

~~(B)(1) As used in division (B) of this section, "sports gaming account" means an electronic account that an individual may establish for the purpose of sports gaming, including making deposits and withdrawals, wagering amounts, and receiving payouts on winning wagers.~~

~~(2) A sports gaming proprietor may accept a wager from an individual through an online sports pool only using the individual's sports gaming account. The sports gaming account shall be in the individual's full legal name and shall not be in the name of any beneficiary, custodian, joint trust,~~

~~corporation, partnership, or other organization or entity.~~

~~(3) A sports gaming account may be established and funded in person through employees or sales agents of a sports gaming proprietor or, pursuant to rules adopted by the Ohio casino control commission, over the internet through a sports gaming proprietor's web site or mobile application in a manner that complies with the sports gaming proprietor's internal controls.~~

~~(C)~~ (B) The server responsible for accepting wagers through an online sports pool shall be located in a secure facility in this state.

~~(D)~~ (C) An online sports pool web site and its accompanying mobile application shall include the name or logo of each of the following in a conspicuous manner:

(1) The type A sports gaming proprietor;

(2) The mobile management services provider that operates the online sports pool on behalf of the type A sports gaming proprietor, if applicable.

Sec. 3775.13. (A) No individual who is on the ~~Ohio casino control~~ commission's sports gaming exclusion list created under section 3772.031 of the Revised Code shall enter a sports gaming facility or the grounds of a sports gaming facility or participate in the play or operation of sports gaming in this state. A sports gaming proprietor shall employ commercially reasonable methods to prevent an individual who is on the commission's sports gaming exclusion list from engaging in sports gaming conducted by the sports gaming proprietor.

(B)(1) A sports gaming proprietor may exclude any individual from entering a sports gaming facility, or the grounds of a sports gaming facility, that is under the control

of the sports gaming proprietor and may exclude any individual from participating in the play or operation of sports gaming conducted by the sports gaming proprietor. The sports gaming proprietor shall keep a list of all excluded individuals. No individual who is on a sports gaming proprietor's exclusion list shall enter a sports gaming facility, or the grounds of a sports gaming facility, that is under the control of the sports gaming proprietor or participate in the play or operation of sports gaming conducted by the sports gaming proprietor under this chapter.

(2) If a sports gaming proprietor excludes an individual because the sports gaming proprietor determines that the individual engaged or attempted to engage in any sports gaming related activity that is prohibited under this chapter or under the commission's rules, the sports gaming proprietor shall report that fact to the Ohio casino control commission.

(C)(1) A sports gaming proprietor shall ~~employ commercially reasonable methods to prevent any person who is participating in the sports gaming~~ comply with the requirements of the Ohio voluntary exclusion program ~~from engaging in sports gaming conducted by the sports gaming proprietor~~ described in section 3772.39 of the Revised Code.

(2) Absent gross negligence, all of the following persons are immune from any type of civil liability on the basis that a person who is participating in the sports gaming voluntary exclusion program enters or accesses a sports gaming facility or participates in sports gaming conducted under this chapter:

(a) The commission or any other agency of this state and its agents or employees;

(b) A sports gaming licensee and its agents or employees.

(D) No sports gaming proprietor, no director, officer, agent, or employee of a sports gaming proprietor, no other person who has a financial interest in a sports gaming proprietor, and no person living in the same household as any of those persons, shall engage in any sports gaming conducted by the sports gaming proprietor, other than as part of operating sports gaming or as part of the employee's employment. A sports gaming proprietor shall employ commercially reasonable methods to prevent those persons, and any other person who has access to confidential information held by the sports gaming proprietor, from engaging in sports gaming conducted by the sports gaming proprietor.

(E) No member or employee of the Ohio casino control commission or the state lottery commission shall knowingly participate in sports gaming conducted by a sports gaming proprietor in this state or participate in sports gaming with any person or entity located outside this state that is directly or indirectly owned or operated by a sports gaming proprietor. A sports gaming proprietor shall employ commercially reasonable methods to prevent such a person from engaging in sports gaming conducted by the sports gaming proprietor.

(F)(1) A sports gaming proprietor shall employ commercially reasonable methods to prevent any person involved in a sporting event with respect to which sports gaming is permitted from engaging in any sports gaming with the sports gaming proprietor, based on publicly available information and any information provided by a sports governing body under division (F)(2) of this section.

(2) The Ohio casino control commission shall adopt rules

specifying a procedure for a sports governing body to provide to the commission a list of persons who are involved in sporting events, including those persons' full legal names, dates of birth, and social security numbers, for the purpose of preventing those persons from engaging in sports gaming. The commission shall make the list available to each sports gaming proprietor and to the state lottery commission. The Ohio casino control commission, the state lottery commission, and each sports gaming proprietor shall keep the information in the list confidential.

(3) For purposes of division (F) of this section, a person is considered to be involved in a sporting event if the person is an athlete, participant, coach, referee, team owner, or sports governing body with respect to the sporting event; any agent or employee of such an athlete, participant, coach, referee, team owner, or sports governing body; and any agent or employee of an athlete, participant, or referee union with respect to the sporting event.

(G) A sports gaming proprietor shall employ commercially reasonable methods to prevent any person from placing a wager with the sports gaming proprietor on behalf of another person.

Sec. 3775.99. (A) Whoever knowingly does any of the following commits a misdemeanor of the first degree on the first offense and a felony of the fifth degree on a subsequent offense:

(1) Makes a false statement on an application submitted under this chapter;

(2) Permits an individual under twenty-one years of age to engage in sports gaming;

(3) Aids, induces, or causes an individual under twenty-one years of age who is not an employee of the sports gaming proprietor to enter or attempt to enter a sports gaming facility;

(4) Enters or attempts to enter a sports gaming facility while under twenty-one years of age, except as permitted under division (C) of section 3775.12 of the Revised Code;

(5) Participates in sports gaming in violation of division (D) of section 3775.13 of the Revised Code, other than as part of operating sports gaming or as part of the employee's employment.

(B) Whoever knowingly does any of the following commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense. If the person is a sports gaming licensee under this chapter, the Ohio casino control commission shall revoke the person's license ~~issued under this chapter~~ after the first offense.

(1) Offers, promises, or gives anything of value to anyone for the purpose of influencing the outcome of a sporting event or attempts to do so;

(2) Places, increases, or decreases a wager after acquiring knowledge not available to the general public that anyone has been offered, promised, or given anything of value for the purpose of influencing the outcome of the sporting event upon which the wager is placed, increased, or decreased, or attempts to do so;

(3) Manufactures, sells, or distributes any device that is intended by that person to be used to violate any provision of this chapter or the sports gaming laws of any other state;

(4) Places a bet or aids any other person in placing a bet on a sporting event after unlawfully acquiring knowledge of the outcome on which winnings from that bet are contingent;

(5) Claims, collects, or takes anything of value from a sports gaming proprietor with intent to defraud or attempts to do so without having made a wager in which the amount or value is legitimately won or owed;

(6) Places a wager using counterfeit currency or other counterfeit form of credit approved for wagering;

(7) Possesses any device intended to be used to violate this chapter or any rule adopted under this chapter, or any materials used to manufacture such a device. This division does not apply to a sports gaming proprietor or to an agent or employee of a sports gaming proprietor who is acting in furtherance of the sports gaming proprietor's interest.

(8) Changes or alters the normal outcome of any sports gaming conducted through an online sports pool, including any system used to monitor the online sports pool, or the way in which the outcome is reported to any patron;

(9) Operates sports gaming in a manner other than the manner required under this chapter. Premises or any internet web site used or occupied in violation of this division constitute a nuisance subject to abatement under Chapter 3767. of the Revised Code.

(C) Whoever knowingly does any of the following commits a felony of the third degree. If the person is a sports gaming licensee under this chapter, the commission shall revoke the person's license ~~issued under this chapter~~ after the first offense. If the person is a public servant or political party

official, the person is forever disqualified from holding any public office, employment, or position of trust in this state.

(1) Offers, promises, or gives anything of value or benefit to a person who is connected with a sports gaming proprietor, an agent or employee of a sports gaming proprietor, or a member, agent, or employee of the Ohio casino control commission or the state lottery commission, under an agreement to influence, or with the intent to influence, the actions of the person to whom the offer, promise, or gift is made in order to affect or attempt to affect the outcome of sports gaming or an official action of a member, agent, or employee of the Ohio casino control commission or the state lottery commission;

(2) Solicits, accepts, or receives a promise of anything of value or benefit while the person is connected with a sports gaming proprietor, an agent or employee of a sports gaming proprietor, or a member, agent, or employee of the Ohio casino control commission or the state lottery commission, 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 sports gaming or an official action of a member, agent, or employee of the Ohio casino control commission or the state lottery commission.

(D) Whoever knowingly does any of the following while participating in sports gaming or otherwise transacting with a sports gaming proprietor as permitted under this chapter or sections ~~3770.23 to~~ 3770.24 and 3770.25 of the Revised Code commits a felony of the fifth degree on a first offense and a felony of the fourth degree on a subsequent offense:

(1) Causes or attempts to cause the person to fail to file a report required under 31 U.S.C. 5313(a) or 5325 or any

regulation prescribed thereunder or section 1315.53 of the Revised Code, or to fail to file a report or maintain a record required by an order issued under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508;

(2) Causes or attempts to cause the person to file a report under 31 U.S.C. 5313(a) or 5325 or any regulation prescribed thereunder or section 1315.53 of the Revised Code, to file a report or to maintain a record required by any order issued under 31 U.S.C. 3126, or to maintain a record required under any regulation prescribed under section 21 of the "Federal Deposit Insurance Act," 12 U.S.C. 1829b or section 123 of Pub. L. No. 91-508 that contains a material omission or misstatement of fact;

(3) With one or more sports gaming proprietors, structures a transaction, is complicit in structuring a transaction, attempts to structure a transaction, or is complicit in an attempt to structure a transaction. As used in this division:

(a) To be "complicit" means to engage in any conduct of a type described in divisions (A)(1) to (4) of section 2923.03 of the Revised Code.

(b) "Structure a transaction" has the same meaning as in section 1315.51 of the Revised Code.

Sec. 3777.01. As used in this chapter:

(A) "Bingo" has the same meaning as in section 3768.01 of the Revised Code.

(B) "Commission" means the Ohio casino control commission described in section 3772.02 of the Revised Code.

(C) "Conduct" means to back, promote, organize, manage, carry on, sponsor, or prepare for the operation of a sweepstakes.

(D) "Game of chance" has the same meaning as in section 2915.01 of the Revised Code.

(E) "Merchandise prize" means any item of value, other than a non-merchandise prize.

(F) "Non-merchandise prize" means any of the following:

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

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

(3) Firearms, tobacco, or alcoholic beverages;

(4) A redeemable voucher that is redeemable for any of the items listed in division (F)(1), (2), or (3) of this section.

(G) "Redeemable voucher" means any ticket, token, coupon, receipt, or other noncash representation of value.

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

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

(b) Redeemable vouchers awarded for any single play of a machine are not redeemable for a merchandise prize with a

wholesale value of more than ten dollars;

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

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

A card for the purchase of gasoline is a redeemable voucher for purposes of division (H)(1) of this section even if the skill-based amusement machine for the play of which the card is awarded is located at a place where gasoline may not be legally distributed to the public or the card is not redeemable at the location of, or at the time of playing, the skill-based amusement machine.

(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:

(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.

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

(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.

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

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

(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.

(3) All of the following apply to any machine that is operated as described in division (H)(1) of this section:

(a) As used in division (H) 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.

(b) Advance play for a single game, play, contest, competition, or tournament participation may be purchased. The cost of the contest, competition, or tournament participation may be greater than a single noncontest, competition, or tournament play.

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

(4) For purposes of division (H)(1) of this section, the

mere presence of a device, such as a pin-setting, ball-releasing, or scoring mechanism, that does not contribute to or affect the outcome of the play of the game does not make the device a skill-based amusement machine.

(I) "Slot machine" has the same meaning as in section 2915.01 of the Revised Code.

(J) "Sweepstakes" means any game, contest, advertising scheme or plan, or other promotion where consideration is not required for a person to enter to win or become eligible to receive any prize, the determination of which is based upon chance. "Sweepstakes" does not include bingo as authorized under Chapter 3768. of the Revised Code, pari-mutuel wagering as authorized by Chapter 3769. of the Revised Code, lotteries conducted by the state lottery commission as authorized by Chapter 3770. of the Revised Code, internet gambling as authorized by Chapter 3771. of the Revised Code, casino gaming as authorized by Chapter 3772. of the Revised Code, or sports gaming as authorized by Chapter 3775. of the Revised Code.

(K)(1) "Sweepstakes terminal device" means a mechanical, video, digital, or electronic machine or device that is owned, leased, or otherwise possessed by any person conducting a sweepstakes, or by that person's partners, affiliates, subsidiaries, or contractors, that is intended to be used by a sweepstakes participant, and that is capable of displaying information on a screen or other mechanism. A device is a sweepstakes terminal device if any of the following apply:

(a) The device uses a simulated game terminal as a representation of the prizes associated with the results of the sweepstakes entries.

(b) The device utilizes software such that the simulated game influences or determines the winning of or value of the prize.

(c) The device selects prizes from a predetermined finite pool of entries.

(d) The device utilizes a mechanism that reveals the content of a predetermined sweepstakes entry.

(e) The device predetermines the prize results and stores those results for delivery at the time the sweepstakes entry results are revealed.

(f) The device utilizes software to create a game result.

(g) The device reveals the prize incrementally, even though the device does not influence the awarding of the prize or the value of any prize awarded.

(h) The device determines and associates the prize with an entry or entries at the time the sweepstakes is entered.

(2) As used in this division and in section 3777.02 of the Revised Code:

(a) "Enter" means the act by which a person becomes eligible to receive any prize offered in a sweepstakes.

(b) "Entry" means one event from the initial activation of the sweepstakes terminal device until all the sweepstakes prize results from that activation are revealed.

(c) "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.

(d) "Sweepstakes terminal device facility" means any location in this state where a sweepstakes terminal device is provided to a sweepstakes participant, except as provided in division (C) of section 3777.02 of the Revised Code.

Sec. 3777.02. (A) No person shall do either of the following:

(1) Conduct, or participate in the conduct of, a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility and either:

(a) Give to another person any non-merchandise prize as a prize for playing or participating in a sweepstakes;

(b) Give to another person any merchandise prize, or a redeemable voucher for a merchandise prize, the wholesale value of which is in excess of ten dollars and which is awarded as a single entry for playing or participating in a sweepstakes. Redeemable vouchers shall not be redeemable for a merchandise prize that has a wholesale value of more than ten dollars.

(2) Conduct, or participate in the conduct of, a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility without first obtaining a current annual certificate of registration from the commission as required by this section.

(B) Any person desiring to conduct, or participate in the conduct of, a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility shall first register with the commission and obtain an annual certificate of registration by providing a filing fee of two hundred dollars and all information as required by rule adopted under division

(F) of this section. Not later than the tenth day of each month, each sweepstakes terminal device operator shall file a sweepstakes terminal device monthly report with the commission and provide a filing fee of fifty dollars and all information required by rule adopted under division (F) of this section. All information provided to the commission under this division shall be available to law enforcement upon request.

(C) A person may apply to the commission, on a form prescribed by the attorney general, for a certificate of compliance that the person is not operating a sweepstakes terminal device facility. The form shall require the person to include the address of the business location where sweepstakes terminal devices will be used and to make the following certifications:

(1) That the person will not use more than two sweepstakes terminal devices at the business location;

(2) That the retail value of sweepstakes prizes to be awarded at the business location using sweepstakes terminal devices during a reporting period will be less than three per cent of the gross revenue received at the business location during the reporting period;

(3) That no other form of gaming except lottery ticket sales as authorized under Chapter 3770. of the Revised Code will be conducted at the business location or in an adjoining area of the business location;

(4) That any sweepstakes terminal device at the business location will not allow any deposit of any money, coin, or token, or the use of any credit card, debit card, prepaid card, or any other method of similar payment to be used, directly or

indirectly, to participate in a sweepstakes;

(5) That notification of any prize will not take place on the same day as a participant's sweepstakes entry;

(6) That the person consents to provide any other information to the commission as required by rule adopted under division (F) of this section.

(D) The filing fee for a certificate of compliance is two hundred fifty dollars. The commission may charge up to an additional two hundred fifty dollars for reasonable expenses resulting from any investigation related to an application for a certificate of compliance.

(E) A certificate of compliance is effective for one year. The certificate holder may reapply for a certificate of compliance. A person issued a certificate of compliance shall file semiannual reports with the commission stating the number of sweepstakes terminal devices at the business location and that the retail value of prizes awarded at the business location using sweepstakes terminal devices is less than three per cent of the gross revenue received at the business location.

(F) The commission shall adopt rules setting forth both of the following:

(1) The required information to be submitted by persons conducting a sweepstakes with the use of a sweepstakes terminal device at a sweepstakes terminal device facility as described in division (B) of this section;

(2) The requirements pertaining to a certificate of compliance under division (C) of this section, which shall provide for a person to file a consolidated application and a consolidated semiannual report if a person has more than one

business location.

(G) The commission shall issue a certificate of registration or a certificate of compliance to all persons who have successfully satisfied the applicable requirements of this section. The commission shall post online a registry of all properly registered and certified sweepstakes terminal device operators.

(H) The commission may refuse to issue an annual certificate of registration or certificate of compliance to any person or, if one has been issued, the commission may revoke a certificate of registration or a certificate of compliance if the applicant has provided any information to the commission as part of a registration, certification, monthly report, semiannual report, or any other information that is materially false or misleading, or if the applicant or any officer, partner, or owner of five per cent or more interest in the applicant has violated any provision of this chapter.

(I) The commission may take any necessary and reasonable action to determine a violation of this chapter, including requesting documents and information, performing inspections of premises, or requiring the attendance of any person at an examination under oath.

(J) Whoever violates this section is guilty of gambling, a misdemeanor of the first degree. If the offender previously has been convicted of any gambling offense, gambling is a felony of the fifth degree. Notwithstanding this division, failing to file a sweepstakes terminal device monthly report as required by division (B) of this section or the semiannual report required by division (E) of this section is a misdemeanor of the first degree.

Sec. ~~2915.06~~ 3777.03. ~~(A)~~ (A)(1) No person shall give to another person any ~~item described in division (VV)(1), (2), (3), or (4) of section 2915.01 of the Revised Code~~ non-merchandise prize in exchange for a noncash prize, toy, or novelty received as a reward for playing or operating a skill-based amusement machine or for a free or reduced-price game won on a skill-based amusement machine.

~~(B)~~ (2) Whoever violates division ~~(A)~~ (A)(1) of this section is guilty of skill-based amusement machine prohibited conduct. A violation of division ~~(A)~~ (A)(1) of this section is a misdemeanor of the first degree for each redemption of a prize that is involved in the violation. If the offender previously has been convicted of a violation of division ~~(A)~~ (A)(1) of this section, a violation of that division is a felony of the fifth degree for each redemption of a prize that is involved in the violation. The maximum fine authorized to be imposed for a felony of the fifth degree shall be imposed upon the offender.

(B) Whoever purposely or knowingly operates a skill-based amusement machine operation in a manner other than the manner required under this chapter commits a felony of the fifth degree on a first offense and a felony of the fourth degree for a subsequent offense. If the person is a licensee under this chapter, the commission shall revoke the person's license after the first offense.

Sec. ~~2915.061~~ 3777.04. Any regulation of skill-based amusement machines shall be governed by this chapter and Chapters 2915. and 3772. of the Revised Code and not by Chapter 1345. of the Revised Code.

Sec. 3777.05. The commission may take any necessary and reasonable action to determine a violation of this chapter,

including requesting documents and information, performing inspections of premises, or requiring the attendance of any person at an examination under oath.

Sec. 3777.06. All fees received by the commission under this chapter shall be deposited in the state treasury to the credit of the casino control commission fund, as defined in section 3772.01 of the Revised Code.

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 and effect as rules of the liquor control commission until and unless amended or repealed by the liquor control commission. The rules of the commission may include the following:

(A) Rules with reference to applications for and the issuance of permits for the manufacture, distribution, transportation, and sale of beer and intoxicating liquor, and the sale of alcohol; and rules governing the procedure of the division of liquor control in the suspension, revocation, and cancellation of those permits;

(B) Rules and orders providing in detail for the conduct of any retail business authorized under permits issued pursuant to this chapter and Chapter 4303. of the Revised Code, with a view to ensuring compliance with those chapters and laws relative to them, and the maintenance of public decency, sobriety, and good order in any place licensed under the permits. No rule or order shall prohibit the operation of video

lottery terminal games at a commercial race track where live horse racing and simulcasting are conducted in accordance with Chapter 3769. of the Revised Code or the sale of lottery tickets issued pursuant to Chapter 3770. of the Revised Code by any retail business authorized under permits issued pursuant to that chapter.

No rule or order shall prohibit pari-mutuel wagering on simulcast horse races at a satellite facility that has been issued a D liquor permit under Chapter 4303. of the Revised Code. No rule or order shall prohibit a charitable organization that holds a D-4 permit from selling or serving beer or intoxicating liquor under its permit in a portion of its premises merely because that portion of its premises is used for the conduct of ~~a~~ bingo ~~game, as described in division (O) of section 2915.01 of the Revised Code~~. As used in this division, "bingo" and "charitable organization" ~~has~~ have the same ~~meaning~~ meanings as in ~~division (H) of~~ section ~~2915.01~~ 3768.01 of the Revised Code. No rule or order pertaining to visibility into the premises of a permit holder after the legal hours of sale shall be adopted or maintained by the commission.

(C) Standards, not in conflict with those prescribed by any law of this state or the United States, to secure the use of proper ingredients and methods in the manufacture of beer, mixed beverages, and wine to be sold within this state;

(D) Rules determining the nature, form, and capacity of all packages and bottles to be used for containing beer or intoxicating liquor, except for spirituous liquor to be kept or sold, governing the form of all seals and labels to be used on those packages and bottles;

(E) Rules requiring the label on every package, bottle,

and container to state all of the following, as applicable:

(1) The ingredients in the contents;

(2) Except for beer, the terms of weight, volume, or proof spirits;

(3) Except for spirituous liquor, whether the product is beer, wine, alcohol, or any intoxicating liquor;

(4) Regarding beer that contains more than twelve per cent of alcohol by volume, the percentage of alcohol by volume and that the beer is a "high alcohol beer."

(F) Uniform rules governing all advertising with reference to the sale of beer and intoxicating liquor throughout the state and advertising upon and in the premises licensed for the sale of beer or intoxicating liquor;

(G) Rules restricting and placing conditions upon the transfer of permits;

(H) Rules and orders limiting the number of permits of any class within the state or within any political subdivision of the state; and, for that purpose, adopting reasonable classifications of persons or establishments to which any authorized class of permits may be issued within any political subdivision;

(I) Rules and orders with reference to the hours of the day during which and the persons to whom intoxicating liquor of any class may be sold, and rules with reference to the manner of sale;

(J) Rules requiring permit holders buying beer to pay and permit holders selling beer to collect minimum cash deposits for kegs, cases, bottles, or other returnable containers of the

beer; requiring the repayment, or credit, of the minimum cash deposit charges upon the return of the empty containers; and requiring the posting of such form of indemnity or such other conditions with respect to the charging, collection, and repayment of minimum cash deposit charges for returnable containers of beer as are necessary to ensure the return of the empty containers or the repayment upon that return of the minimum cash deposits paid;

(K) Rules establishing the method by which alcohol products may be imported for sale by wholesale distributors and the method by which manufacturers and suppliers may sell alcohol products to wholesale distributors.

Every rule, standard, requirement, or order of the commission and every repeal, amendment, or rescission of them shall be posted for public inspection in the principal office of the commission and the principal office of the division of liquor control, and a certified copy of them shall be filed in the office of the secretary of state. An order applying only to persons named in it shall be served on the persons affected by personal delivery of a certified copy, or by mailing a certified copy to each person affected by it or, in the case of a corporation, to any officer or agent of the corporation upon whom a service of summons may be served in a civil action. The posting and filing required by this section constitutes sufficient notice to all persons affected by such rule or order which is not required to be served. General rules of the commission promulgated pursuant to this section shall be published in the manner the commission determines.

Sec. 4301.58. (A) As used in this section:

(1) "Charitable organization" is an organization described

under section 501(c)(3) of the Internal Revenue Code and exempt from federal income taxation under section 501(a) of the Internal Revenue Code.

(2) "Fundraiser" means a raffle, silent auction, or event where a door prize is awarded.

(3) "Political organization" means a political organization defined under section 527 of the Internal Revenue Code.

(4) "Raffle" means a raffle conducted in accordance with Chapter ~~2915.~~ 3768. of the Revised Code.

(5) "Silent auction" means a method of submitting bids in writing by one or more persons and, after a review of all the bids received, personal property is awarded to the highest and most responsive bidder.

(B) No person, personally or by the person's clerk, agent, or employee, who is not the holder of an A permit issued by the division of liquor control, in force at the time, and authorizing the manufacture of beer or intoxicating liquor, or who is not an agent or employee of the division authorized to manufacture such beer or intoxicating liquor, shall manufacture any beer or intoxicating liquor for sale, or shall manufacture spirituous liquor.

(C) No person, personally or by the person's clerk, agent, or employee, who is not the holder of an A, B, C, D, E, F, G, I, or S permit issued by the division, in force at the time, and authorizing the sale of beer, intoxicating liquor, or alcohol, or who is not an agent or employee of the division or the tax commissioner authorized to sell such beer, intoxicating liquor, or alcohol, shall sell, keep, or possess beer, intoxicating

liquor, or alcohol for sale to any persons other than those authorized by Chapters 4301. and 4303. of the Revised Code to purchase any beer or intoxicating liquor, or sell any alcohol at retail.

(D) No person, personally or by the person's clerk, agent, or employee, who is the holder of a permit issued by the division, shall sell, keep, or possess for sale any intoxicating liquor not purchased from the division or from the holder of a permit issued by the division authorizing the sale of such intoxicating liquor unless the same has been purchased with the special consent of the division. The division shall revoke the permit of any person convicted of a violation of division (C) of this section.

(E) Division (C) of this section does not apply to either of the following:

(1) The sale or possession for sale of any low-alcohol beverage;

(2) Beer and intoxicating liquor that is given away if all of the following apply:

(a) The beer or intoxicating liquor is given away by a charitable or political organization to a participant in a fundraiser.

(b) Any beer, wine, or mixed beverages given away via the fundraiser is purchased from a person issued a permit under Chapter 4303. of the Revised Code.

(c) Any spirituous liquor given away via the fundraiser is purchased from an agency store located in this state.

(d) Regarding any spirituous liquor donated to the

charitable or political organization for purposes of the fundraiser, the donor is not an agency store located in this state and submits to the charitable or political organization receipts showing that the donor purchased the spirituous liquor from an agency store located in this state.

(e) The charitable or political organization submits purchase receipts for the spirituous liquor given away via a fundraiser to the division of liquor control as proof that the spirituous liquor was purchased from an agency store located in this state. The charitable or political organization shall submit the receipts in accordance with procedures that the division shall establish.

Sec. 4303.17. (A)(1) Permit D-4 may be issued to a club that has been in existence for three years or more prior to the issuance of the permit to sell beer and any intoxicating liquor to its members only, in glass or container, for consumption on the premises where sold. The fee for this permit is four hundred sixty-nine dollars.

No D-4 permit shall be granted or retained until all elected officers of the organization controlling the club have filed with the division of liquor control a statement certifying that the club is operated in the interest of the membership of a reputable organization, which is maintained by a dues paying membership, and setting forth the amount of initiation fee and yearly dues.

The roster of membership of a D-4 permit holder shall be submitted at the request of the superintendent of liquor control. Any information acquired by the superintendent or the division with respect to that membership shall not be open to public inspection or examination and may be divulged by the

superintendent and the division only in hearings before the liquor control commission or in a court action in which the division or the superintendent is named a party.

(2) The requirement that a club shall have been in existence for three years in order to qualify for a D-4 permit does not apply to units of organizations chartered by congress or to a subsidiary unit of a national fraternal organization if the parent organization has been in existence for three years or more at the time application for a permit is made by that unit.

(B) No rule or order of the division or commission shall prohibit a charitable organization that holds a D-4 permit from selling or serving beer or intoxicating liquor under its permit in a portion of its premises merely because that portion of its premises is used for the conduct of ~~a~~ bingo ~~game as described in division (O)(1) of section 2915.01 of the Revised Code~~. As used in this division, "bingo" and "charitable organization" ~~has~~ have the same ~~meaning~~ meanings as in ~~division (H) of~~ section ~~2915.01~~ 3768.01 of the Revised Code.

(C) Notwithstanding any contrary provision of sections 4301.32 to 4301.41, division (C)(1) of section 4303.29, and section 4305.14 of the Revised Code, the holder of a D-4 permit may transfer the location of the permit and sell beer and wine at the new location if that location is in an election precinct in which the sale of beer and wine, but not spirituous liquor, otherwise is permitted by law.

Sec. 5701.11. The effective date to which this section refers is the effective date of this section as amended by H.B. 14 of the 136th general assembly.

(A)(1) Except as provided under division (A)(2) or (B) of

this section, any reference in Title LVII or section 149.311, 718.031, 3123.90, 3770.07, 3770.071, 3770.072, 3770.073, or 3772.37 of the Revised Code to the Internal Revenue Code, to the Internal Revenue Code "as amended," to other laws of the United States, or to other laws of the United States, "as amended," means the Internal Revenue Code or other laws of the United States as they exist on the effective date.

(2) This section does not apply to any reference in Title LVII of the Revised Code to the Internal Revenue Code as of a date certain specifying the day, month, and year, or to other laws of the United States as of a date certain specifying the day, month, and year.

(B)(1) For purposes of applying section 5733.04, 5745.01, or 5747.01 of the Revised Code to a taxpayer's taxable year ending after March 15, 2023, and before the effective date, a taxpayer may irrevocably elect to incorporate the provisions of the Internal Revenue Code or other laws of the United States that are in effect for federal income tax purposes for that taxable year if those provisions differ from the provisions that, under division (A) of this section, would otherwise apply. The filing by the taxpayer for that taxable year of a report or return that incorporates the provisions of the Internal Revenue Code or other laws of the United States applicable for federal income tax purposes for that taxable year, and that does not include any adjustments to reverse the effects of any differences between those provisions and the provisions that would otherwise apply, constitutes the making of an irrevocable election under this division for that taxable year.

(2) Elections under prior versions of division (B)(1) of this section remain in effect for the taxable years to which

they apply.

Sec. 5747.01. Except as otherwise expressly provided or clearly appearing from the context, any term used in this chapter that is not otherwise defined in this section has the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes or if not used in a comparable context in those laws, has the same meaning as in section 5733.40 of the Revised Code. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States relating to federal income taxes.

As used in this chapter:

(A) "Adjusted gross income" or "Ohio adjusted gross income" means federal adjusted gross income, as defined and used in the Internal Revenue Code, adjusted as provided in this section:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes.

(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are included in federal adjusted gross income but exempt from state income taxes

under the laws of the United States.

(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.

(5) Deduct the following, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income:

(a) Benefits under Title II of the Social Security Act and tier 1 railroad retirement;

(b) Railroad retirement benefits, other than tier 1 railroad retirement benefits, to the extent such amounts are exempt from state taxation under federal law.

(6) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal adjusted gross income for the taxable year, had the work opportunity tax credit allowed and determined under sections 38, 51, and 52 of the Internal Revenue Code not been in effect.

(7) Deduct any interest or interest equivalent on public obligations and purchase obligations to the extent that the interest or interest equivalent is included in federal adjusted gross income.

(8) Add any loss or deduct any gain resulting from the sale, exchange, or other disposition of public obligations to the extent that the loss has been deducted or the gain has been included in computing federal adjusted gross income.

(9) Deduct or add amounts, as provided under section 5747.70 of the Revised Code, related to contributions made to or tuition units purchased under a qualified tuition program

established pursuant to section 529 of the Internal Revenue Code.

(10)(a) Deduct, to the extent not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer paid during the taxable year for medical care insurance and qualified long-term care insurance for the taxpayer, the taxpayer's spouse, and dependents. No deduction for medical care insurance under division (A)(10)(a) of this section shall be allowed either to any taxpayer who is eligible to participate in any subsidized health plan maintained by any employer of the taxpayer or of the taxpayer's spouse, or to any taxpayer who is entitled to, or on application would be entitled to, benefits under part A of Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of division (A)(10)(a) of this section, "subsidized health plan" means a health plan for which the employer pays any portion of the plan's cost. The deduction allowed under division (A)(10)(a) of this section shall be the net of any related premium refunds, related premium reimbursements, or related insurance premium dividends received during the taxable year.

(b) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income during the taxable year, the amount the taxpayer paid during the taxable year, not compensated for by any insurance or otherwise, for medical care of the taxpayer, the taxpayer's spouse, and dependents, to the extent the expenses exceed seven and one-half per cent of the taxpayer's federal adjusted gross income.

(c) For purposes of division (A)(10) of this section, "medical care" has the meaning given in section 213 of the

Internal Revenue Code, subject to the special rules, limitations, and exclusions set forth therein, and "qualified long-term care" has the same meaning given in section 7702B(c) of the Internal Revenue Code. Solely for purposes of division (A)(10)(a) of this section, "dependent" includes a person who otherwise would be a "qualifying relative" and thus a "dependent" under section 152 of the Internal Revenue Code but for the fact that the person fails to meet the income and support limitations under section 152(d)(1)(B) and (C) of the Internal Revenue Code.

(11)(a) Deduct any amount included in federal adjusted gross income solely because the amount represents a reimbursement or refund of expenses that in any year the taxpayer had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable United States department of the treasury regulations. The deduction otherwise allowed under division (A)(11)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio adjusted gross income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio adjusted gross income in any taxable year.

(12) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was

included in the taxpayer's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year;

(b) It does not otherwise reduce the taxpayer's adjusted gross income for the current or any other taxable year.

(13) Deduct an amount equal to the deposits made to, and net investment earnings of, a medical savings account during the taxable year, in accordance with section 3924.66 of the Revised Code. The deduction allowed by division (A)(13) of this section does not apply to medical savings account deposits and earnings otherwise deducted or excluded for the current or any other taxable year from the taxpayer's federal adjusted gross income.

(14)(a) Add an amount equal to the funds withdrawn from a medical savings account during the taxable year, and the net investment earnings on those funds, when the funds withdrawn were used for any purpose other than to reimburse an account holder for, or to pay, eligible medical expenses, in accordance with section 3924.66 of the Revised Code;

(b) Add the amounts distributed from a medical savings account under division (A)(2) of section 3924.68 of the Revised Code during the taxable year.

(15) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that such amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal adjusted gross income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction of the taxpayer's

federal adjusted gross income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(16) Deduct the amount contributed by the taxpayer to an individual development account program established by a county department of job and family services pursuant to sections 329.11 to 329.14 of the Revised Code for the purpose of matching funds deposited by program participants. On request of the tax commissioner, the taxpayer shall provide any information that, in the tax commissioner's opinion, is necessary to establish the amount deducted under division (A)(16) of this section.

(17)(a)(i) Subject to divisions (A)(17)(a)(iii), (iv), and (v) of this section, add five-sixths of the amount of depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code, including the taxpayer's proportionate or distributive share of the amount of depreciation expense allowed by that subsection to a pass-through entity in which the taxpayer has a direct or indirect ownership interest.

(ii) Subject to divisions (A)(17)(a)(iii), (iv), and (v) of this section, add five-sixths of the amount of qualifying section 179 depreciation expense, including the taxpayer's proportionate or distributive share of the amount of qualifying section 179 depreciation expense allowed to any pass-through entity in which the taxpayer has a direct or indirect ownership interest.

(iii) Subject to division (A)(17)(a)(v) of this section, for taxable years beginning in 2012 or thereafter, if the increase in income taxes withheld by the taxpayer is equal to or greater than ten per cent of income taxes withheld by the taxpayer during the taxpayer's immediately preceding taxable

year, "two-thirds" shall be substituted for "five-sixths" for the purpose of divisions (A)(17)(a)(i) and (ii) of this section.

(iv) Subject to division (A)(17)(a)(v) of this section, for taxable years beginning in 2012 or thereafter, a taxpayer is not required to add an amount under division (A)(17) of this section if the increase in income taxes withheld by the taxpayer and by any pass-through entity in which the taxpayer has a direct or indirect ownership interest is equal to or greater than the sum of (I) the amount of qualifying section 179 depreciation expense and (II) the amount of depreciation expense allowed to the taxpayer by subsection (k) of section 168 of the Internal Revenue Code, and including the taxpayer's proportionate or distributive shares of such amounts allowed to any such pass-through entities.

(v) If a taxpayer directly or indirectly incurs a net operating loss for the taxable year for federal income tax purposes, to the extent such loss resulted from depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code and by qualifying section 179 depreciation expense, "the entire" shall be substituted for "five-sixths of the" for the purpose of divisions (A)(17)(a)(i) and (ii) of this section.

The tax commissioner, under procedures established by the commissioner, may waive the add-backs related to a pass-through entity if the taxpayer owns, directly or indirectly, less than five per cent of the pass-through entity.

(b) Nothing in division (A)(17) of this section shall be construed to adjust or modify the adjusted basis of any asset.

(c) To the extent the add-back required under division (A)(17)(a) of this section is attributable to property generating

nonbusiness income or loss allocated under section 5747.20 of the Revised Code, the add-back shall be sitused to the same location as the nonbusiness income or loss generated by the property for the purpose of determining the credit under division (A) of section 5747.05 of the Revised Code. Otherwise, the add-back shall be apportioned, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(d) For the purposes of division (A)(17)(a)(v) of this section, net operating loss carryback and carryforward shall not include the allowance of any net operating loss deduction carryback or carryforward to the taxable year to the extent such loss resulted from depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount.

(e) For the purposes of divisions (A)(17) and (18) of this section:

(i) "Income taxes withheld" means the total amount withheld and remitted under sections 5747.06 and 5747.07 of the Revised Code by an employer during the employer's taxable year.

(ii) "Increase in income taxes withheld" means the amount by which the amount of income taxes withheld by an employer during the employer's current taxable year exceeds the amount of income taxes withheld by that employer during the employer's immediately preceding taxable year.

(iii) "Qualifying section 179 depreciation expense" means the difference between (I) the amount of depreciation expense directly or indirectly allowed to a taxpayer under section 179 of the Internal Revised Code, and (II) the amount of

depreciation expense directly or indirectly allowed to the taxpayer under section 179 of the Internal Revenue Code as that section existed on December 31, 2002.

(18)(a) If the taxpayer was required to add an amount under division (A)(17)(a) of this section for a taxable year, deduct one of the following:

(i) One-fifth of the amount so added for each of the five succeeding taxable years if the amount so added was five-sixths of qualifying section 179 depreciation expense or depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code;

(ii) One-half of the amount so added for each of the two succeeding taxable years if the amount so added was two-thirds of such depreciation expense;

(iii) One-sixth of the amount so added for each of the six succeeding taxable years if the entire amount of such depreciation expense was so added.

(b) If the amount deducted under division (A)(18)(a) of this section is attributable to an add-back allocated under division (A)(17)(c) of this section, the amount deducted shall be sitused to the same location. Otherwise, the add-back shall be apportioned using the apportionment factors for the taxable year in which the deduction is taken, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(c) No deduction is available under division (A)(18)(a) of this section with regard to any depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount to the extent that such

depreciation results in or increases a federal net operating loss carryback or carryforward. If no such deduction is available for a taxable year, the taxpayer may carry forward the amount not deducted in such taxable year to the next taxable year and add that amount to any deduction otherwise available under division (A)(18)(a) of this section for that next taxable year. The carryforward of amounts not so deducted shall continue until the entire addition required by division (A)(17)(a) of this section has been deducted.

(19) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as reimbursement for life insurance premiums under section 5919.31 of the Revised Code.

(20) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as a death benefit paid by the adjutant general under section 5919.33 of the Revised Code.

(21) Deduct, to the extent included in federal adjusted gross income and not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, military pay and allowances received by the taxpayer during the taxable year for active duty service in the United States army, air force, navy, marine corps, or coast guard or reserve components thereof or the national guard. The deduction may not be claimed for military pay and allowances received by the taxpayer while the taxpayer is stationed in this state.

(22) Deduct, to the extent not otherwise allowable as a

deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year and not otherwise compensated for by any other source, the amount of qualified organ donation expenses incurred by the taxpayer during the taxable year, not to exceed ten thousand dollars. A taxpayer may deduct qualified organ donation expenses only once for all taxable years beginning with taxable years beginning in 2007.

For the purposes of division (A)(22) of this section:

(a) "Human organ" means all or any portion of a human liver, pancreas, kidney, intestine, or lung, and any portion of human bone marrow.

(b) "Qualified organ donation expenses" means travel expenses, lodging expenses, and wages and salary forgone by a taxpayer in connection with the taxpayer's donation, while living, of one or more of the taxpayer's human organs to another human being.

(23) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts received by the taxpayer as retired personnel pay for service in the uniformed services or reserve components thereof, or the national guard, or received by the surviving spouse or former spouse of such a taxpayer under the survivor benefit plan on account of such a taxpayer's death. If the taxpayer receives income on account of retirement paid under the federal civil service retirement system or federal employees retirement system, or under any successor retirement program enacted by the congress of the United States that is established and maintained for retired employees of the United States government, and such retirement income is based, in whole or in part, on credit for the taxpayer's uniformed service, the

deduction allowed under this division shall include only that portion of such retirement income that is attributable to the taxpayer's uniformed service, to the extent that portion of such retirement income is otherwise included in federal adjusted gross income and is not otherwise deducted under this section. Any amount deducted under division (A)(23) of this section is not included in a taxpayer's adjusted gross income for the purposes of section 5747.055 of the Revised Code. No amount may be deducted under division (A)(23) of this section on the basis of which a credit was claimed under section 5747.055 of the Revised Code.

(24) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year from the military injury relief fund created in section 5902.05 of the Revised Code.

(25) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received as a veterans bonus during the taxable year from the Ohio department of veterans services as authorized by Section 2r of Article VIII, Ohio Constitution.

(26) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, any income derived from a transfer agreement or from the enterprise transferred under that agreement under section 4313.02 of the Revised Code.

(27) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, Ohio college opportunity or federal Pell grant

amounts received by the taxpayer or the taxpayer's spouse or dependent pursuant to section 3333.122 of the Revised Code or 20 U.S.C. 1070a, et seq., and used to pay room or board furnished by the educational institution for which the grant was awarded at the institution's facilities, including meal plans administered by the institution. For the purposes of this division, receipt of a grant includes the distribution of a grant directly to an educational institution and the crediting of the grant to the enrollee's account with the institution.

(28) Deduct from the portion of an individual's federal adjusted gross income that is business income, to the extent not otherwise deducted or excluded in computing federal adjusted gross income for the taxable year, one hundred twenty-five thousand dollars for each spouse if spouses file separate returns under section 5747.08 of the Revised Code or two hundred fifty thousand dollars for all other individuals.

(29) Deduct, as provided under section 5747.78 of the Revised Code, contributions to ABLE savings accounts made in accordance with sections 113.50 to 113.56 of the Revised Code.

(30)(a) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income during the taxable year, all of the following:

(i) Compensation paid to a qualifying employee described in division (A)(14)(a) of section 5703.94 of the Revised Code to the extent such compensation is for disaster work conducted in this state during a disaster response period pursuant to a qualifying solicitation received by the employee's employer;

(ii) Compensation paid to a qualifying employee described in division (A)(14)(b) of section 5703.94 of the Revised Code to

the extent such compensation is for disaster work conducted in this state by the employee during the disaster response period on critical infrastructure owned or used by the employee's employer;

(iii) Income received by an out-of-state disaster business for disaster work conducted in this state during a disaster response period, or, if the out-of-state disaster business is a pass-through entity, a taxpayer's distributive share of the pass-through entity's income from the business conducting disaster work in this state during a disaster response period, if, in either case, the disaster work is conducted pursuant to a qualifying solicitation received by the business.

(b) All terms used in division (A)(30) of this section have the same meanings as in section 5703.94 of the Revised Code.

(31) For a taxpayer who is a qualifying Ohio educator, deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the lesser of two hundred fifty dollars or the amount of expenses described in subsections (a)(2)(D)(i) and (ii) of section 62 of the Internal Revenue Code paid or incurred by the taxpayer during the taxpayer's taxable year in excess of the amount the taxpayer is authorized to deduct for that taxable year under subsection (a)(2)(D) of that section.

(32) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts received by the taxpayer as a disability severance payment, computed under 10 U.S.C. 1212, following discharge or release under honorable conditions from the armed forces of the United States, as defined in section

5907.01 of the Revised Code.

(33) Deduct, to the extent not otherwise deducted or excluded in computing federal adjusted gross income or Ohio adjusted gross income, amounts not subject to tax due to an agreement entered into under division (A)(2) of section 5747.05 of the Revised Code.

(34) Deduct amounts as provided under section 5747.79 of the Revised Code related to the taxpayer's qualifying capital gains and deductible payroll.

To the extent a qualifying capital gain described under division (A)(34) of this section is business income, the taxpayer shall deduct those gains under this division before deducting any such gains under division (A)(28) of this section.

(35)(a) For taxable years beginning in or after 2026, deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year:

(i) One hundred per cent of the capital gain received by the taxpayer in the taxable year from a qualifying interest in an Ohio venture capital operating company attributable to the company's investments in Ohio businesses during the period for which the company was an Ohio venture operating company; and

(ii) Fifty per cent of the capital gain received by the taxpayer in the taxable year from a qualifying interest in an Ohio venture capital operating company attributable to the company's investments in all other businesses during the period for which the company was an Ohio venture operating company.

(b) Add amounts previously deducted by the taxpayer under division (A)(35)(a) of this section if the director of

development certifies to the tax commissioner that the requirements for the deduction were not met.

(c) All terms used in division (A)(35) of this section have the same meanings as in section 122.851 of the Revised Code.

(d) To the extent a capital gain described in division (A)(35)(a) of this section is business income, the taxpayer shall apply that division before applying division (A)(28) of this section.

(36) Add, to the extent not otherwise included in computing federal or Ohio adjusted gross income for any taxable year, the taxpayer's proportionate share of the amount of the tax levied under section 5747.38 of the Revised Code and paid by an electing pass-through entity for the taxable year.

Notwithstanding any provision of the Revised Code to the contrary, the portion of the addition required by division (A)(36) of this section related to the apportioned business income of the pass-through entity shall be considered business income under division (B) of this section. Such addition is eligible for the deduction in division (A)(28) of this section, subject to the applicable dollar limitations, and the tax rate prescribed by division (A)(4)(a) of section 5747.02 of the Revised Code. The taxpayer shall provide, upon request of the tax commissioner, any documentation necessary to verify the portion of the addition that is business income under this division.

(37) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts delivered to a qualifying institution

pursuant to section 3333.128 of the Revised Code for the benefit of the taxpayer or the taxpayer's spouse or dependent.

(38) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts received under the Ohio adoption grant program pursuant to section 5101.191 of the Revised Code.

(39) Deduct, to the extent included in federal adjusted gross income, income attributable to amounts provided to a taxpayer for any of the purposes for which an exclusion would have been authorized under section 139 of the Internal Revenue Code if the train derailment near the city of East Palestine on February 3, 2023, had been a qualified disaster pursuant to that section, or to compensate for lost business resulting from that derailment, if such amounts are provided by any of the following:

(a) A federal, state, or local government agency;

(b) A railroad company, as that term is defined in section 5727.01 of the Revised Code;

(c) Any subsidiary, insurer, or agent of a railroad company or any related person.

Notwithstanding any provision to the contrary, the derailment is not required to meet the definition of a "qualified disaster" pursuant to section 139 of the Internal Revenue Code to qualify for the deduction under this section.

(40) Deduct, to the extent included in federal adjusted gross income, income attributable to loan repayments on behalf of the taxpayer under the rural practice incentive program under section 3333.135 of the Revised Code.

(41) Add any income taxes deducted in computing federal or Ohio adjusted gross income to the extent the income taxes were derived from income subject to a tax levied in another state or the District of Columbia when such tax was enacted for purposes of complying with internal revenue service notice 2020-75.

Notwithstanding any provision of the Revised Code to the contrary, the portion of the addition required by division (A)(41) of this section related to the apportioned business income of the pass-through entity shall be considered business income under division (B) of this section. Such addition is eligible for the deduction in division (A)(28) of this section, subject to the applicable dollar limitations, and the tax rate prescribed by division (A)(4)(a) of section 5747.02 of the Revised Code. The taxpayer shall provide, upon request of the tax commissioner, any documentation necessary to verify the portion of the addition that is business income under this division.

(42) Deduct amounts contributed to a homeownership savings account and calculated pursuant to divisions (B) and (C) of section 5747.85 of the Revised Code.

(43) If the taxpayer is the account owner, add the amount of funds withdrawn from a homeownership savings account not used for eligible expenses, regardless of who deposited those funds. As used in division (A)(43) of this section, "homeownership savings account," "account owner," and "eligible expenses" have the same meanings as in section 5747.85 of the Revised Code.

(B) "Business income" means income, including gain or loss, arising from transactions, activities, and sources in the regular course of a trade or business and includes income, gain, or loss from real property, tangible property, and intangible

property if the acquisition, rental, management, and disposition of the property constitute integral parts of the regular course of a trade or business operation. "Business income" includes income, including gain or loss, from a partial or complete liquidation of a business, including, but not limited to, gain or loss from the sale or other disposition of goodwill or the sale of an equity or ownership interest in a business.

As used in this division, the "sale of an equity or ownership interest in a business" means sales to which either or both of the following apply:

(1) The sale is treated for federal income tax purposes as the sale of assets.

(2) The seller materially participated, as described in 26 C.F.R. 1.469-5T, in the activities of the business during the taxable year in which the sale occurs or during any of the five preceding taxable years.

(C) "Nonbusiness income" means all income other than business income and may include, but is not limited to, compensation, rents and royalties from real or tangible personal property, capital gains, interest, dividends and distributions, patent or copyright royalties, or lottery winnings, prizes, and awards.

(D) "Compensation" means any form of remuneration paid to an employee for personal services.

(E) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any individual, trust, or estate.

(F) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December.

(G) "Individual" means any natural person.

(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(I) "Resident" means any of the following:

(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;

(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code are not controlling for purposes of division (I)(2) of this section.

(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part.

For the purposes of division (I)(3) of this section:

(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I)(3)(d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:

(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I)(3)(e)(i) or (ii) of this section;

(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least one of the trust's qualifying beneficiaries is domiciled in this

state for the purposes of this chapter during all or some portion of the trust's current taxable year;

(iii) A person who was domiciled in this state for the purposes of this chapter when the trust document or instrument or part of the trust document or instrument became irrevocable, but only if at least one of the trust's qualifying beneficiaries is a resident domiciled in this state for the purposes of this chapter during all or some portion of the trust's current taxable year. If a trust document or instrument became irrevocable upon the death of a person who at the time of death was domiciled in this state for purposes of this chapter, that person is a person described in division (I)(3)(a)(iii) of this section.

(b) A trust is irrevocable to the extent that the transferor is not considered to be the owner of the net assets of the trust under sections 671 to 678 of the Internal Revenue Code.

(c) With respect to a trust other than a charitable lead trust, "qualifying beneficiary" has the same meaning as "potential current beneficiary" as defined in section 1361(e)(2) of the Internal Revenue Code, and with respect to a charitable lead trust "qualifying beneficiary" is any current, future, or contingent beneficiary, but with respect to any trust "qualifying beneficiary" excludes a person or a governmental entity or instrumentality to any of which a contribution would qualify for the charitable deduction under section 170 of the Internal Revenue Code.

(d) For the purposes of division (I)(3)(a) of this section, the extent to which a trust consists directly or indirectly, in whole or in part, of assets, net of any related

liabilities, that were transferred directly or indirectly, in whole or part, to the trust by any of the sources enumerated in that division shall be ascertained by multiplying the fair market value of the trust's assets, net of related liabilities, by the qualifying ratio, which shall be computed as follows:

(i) The first time the trust receives assets, the numerator of the qualifying ratio is the fair market value of those assets at that time, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the qualifying ratio is the fair market value of all the trust's assets at that time, net of any related liabilities.

(ii) Each subsequent time the trust receives assets, a revised qualifying ratio shall be computed. The numerator of the revised qualifying ratio is the sum of (1) the fair market value of the trust's assets immediately prior to the subsequent transfer, net of any related liabilities, multiplied by the qualifying ratio last computed without regard to the subsequent transfer, and (2) the fair market value of the subsequently transferred assets at the time transferred, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the revised qualifying ratio is the fair market value of all the trust's assets immediately after the subsequent transfer, net of any related liabilities.

(iii) Whether a transfer to the trust is by or from any of the sources enumerated in division (I)(3)(a) of this section shall be ascertained without regard to the domicile of the trust's beneficiaries.

(e) For the purposes of division (I)(3)(a)(i) of this section:

(i) A trust is described in division (I)(3)(e)(i) of this section if the trust is a testamentary trust and the testator of that testamentary trust was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(ii) A trust is described in division (I)(3)(e)(ii) of this section if the transfer is a qualifying transfer described in any of divisions (I)(3)(f)(i) to (vi) of this section, the trust is an irrevocable inter vivos trust, and at least one of the trust's qualifying beneficiaries is domiciled in this state for purposes of this chapter during all or some portion of the trust's current taxable year.

(f) For the purposes of division (I)(3)(e)(ii) of this section, a "qualifying transfer" is a transfer of assets, net of any related liabilities, directly or indirectly to a trust, if the transfer is described in any of the following:

(i) The transfer is made to a trust, created by the decedent before the decedent's death and while the decedent was domiciled in this state for the purposes of this chapter, and, prior to the death of the decedent, the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual relationship existing directly or indirectly between the transferor and either the decedent or the estate of the decedent at any time prior to the date of the decedent's death, and the decedent was domiciled in this state at the time of death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(iv) The transfer is made to a trust on account of a contractual relationship existing directly or indirectly between the transferor and another person who at the time of the decedent's death was domiciled in this state for purposes of this chapter.

(v) The transfer is made to a trust on account of the will of a testator who was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(vi) The transfer is made to a trust created by or caused to be created by a court, and the trust was directly or indirectly created in connection with or as a result of the death of an individual who, for purposes of the taxes levied under Chapter 5731. of the Revised Code, was domiciled in this state at the time of the individual's death.

(g) The tax commissioner may adopt rules to ascertain the part of a trust residing in this state.

(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for the remainder of that taxable year.

(K) "Pass-through entity" has the same meaning as in

section 5733.04 of the Revised Code.

(L) "Return" means the notifications and reports required to be filed pursuant to this chapter for the purpose of reporting the tax due and includes declarations of estimated tax when so required.

(M) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the adjusted gross income is calculated pursuant to this chapter.

(N) "Taxpayer" means any person subject to the tax imposed by section 5747.02 of the Revised Code or any pass-through entity that makes the election under division (D) of section 5747.08 of the Revised Code.

(O) "Dependents" means one of the following:

(1) For taxable years beginning on or after January 1, 2018, and before January 1, 2026, dependents as defined in the Internal Revenue Code;

(2) For all other taxable years, dependents as defined in the Internal Revenue Code and as claimed in the taxpayer's federal income tax return for the taxable year or which the taxpayer would have been permitted to claim had the taxpayer filed a federal income tax return.

(P) "Principal county of employment" means, in the case of a nonresident, the county within the state in which a taxpayer performs services for an employer or, if those services are performed in more than one county, the county in which the major portion of the services are performed.

(Q) As used in sections 5747.50 to 5747.55 of the Revised

Code:

(1) "Subdivision" means any county, municipal corporation, park district, or township.

(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.

(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.

(S) "Taxable income" or "Ohio taxable income" applies only to estates and trusts, and means federal taxable income, as defined and used in the Internal Revenue Code, adjusted as follows:

(1) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S)(1)(a) or (b) of this section:

(a) The net amount is not attributable to the S portion of an electing small business trust and has not been distributed to beneficiaries for the taxable year;

(b) The net amount is attributable to the S portion of an electing small business trust for the taxable year.

(2) Add interest or dividends, net of ordinary, necessary,

and reasonable expenses not deducted in computing federal taxable income, on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S)(1)(a) or (b) of this section;

(3) Add the amount of personal exemption allowed to the estate pursuant to section 642(b) of the Internal Revenue Code;

(4) Deduct interest or dividends, net of related expenses deducted in computing federal taxable income, on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are exempt from state taxes under the laws of the United States, but only to the extent that such amount is included in federal taxable income and is described in either division (S)(1)(a) or (b) of this section;

(5) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal taxable income for the taxable year, had the work opportunity tax credit allowed under sections 38, 51, and 52 of the Internal Revenue Code not been in effect, but only to the extent such amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;

(6) Deduct any interest or interest equivalent, net of related expenses deducted in computing federal taxable income,

on public obligations and purchase obligations, but only to the extent that such net amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;

(7) Add any loss or deduct any gain resulting from sale, exchange, or other disposition of public obligations to the extent that such loss has been deducted or such gain has been included in computing either federal taxable income or income of the S portion of an electing small business trust for the taxable year;

(8) Except in the case of the final return of an estate, add any amount deducted by the taxpayer on both its Ohio estate tax return pursuant to section 5731.14 of the Revised Code, and on its federal income tax return in determining federal taxable income;

(9)(a) Deduct any amount included in federal taxable income solely because the amount represents a reimbursement or refund of expenses that in a previous year the decedent had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable treasury regulations. The deduction otherwise allowed under division (S)(9)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer or decedent deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio taxable income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio taxable income in any taxable year, but only to the extent such amount

has not been distributed to beneficiaries for the taxable year.

(10) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's taxable income or the decedent's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year.

(b) It does not otherwise reduce the taxpayer's taxable income or the decedent's adjusted gross income for the current or any other taxable year.

(11) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that the amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal taxable income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction in the taxpayer's federal taxable income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(12) Deduct any amount, net of related expenses deducted in computing federal taxable income, that a trust is required to report as farm income on its federal income tax return, but only if the assets of the trust include at least ten acres of land satisfying the definition of "land devoted exclusively to agricultural use" under section 5713.30 of the Revised Code,

regardless of whether the land is valued for tax purposes as such land under sections 5713.30 to 5713.38 of the Revised Code. If the trust is a pass-through entity investor, section 5747.231 of the Revised Code applies in ascertaining if the trust is eligible to claim the deduction provided by division (S)(12) of this section in connection with the pass-through entity's farm income.

Except for farm income attributable to the S portion of an electing small business trust, the deduction provided by division (S)(12) of this section is allowed only to the extent that the trust has not distributed such farm income.

(13) Add the net amount of income described in section 641(c) of the Internal Revenue Code to the extent that amount is not included in federal taxable income.

(14) Deduct the amount the taxpayer would be required to deduct under division (A)(18) of this section if the taxpayer's Ohio taxable income ~~were~~ was computed in the same manner as an individual's Ohio adjusted gross income is computed under this section.

(15) Add, to the extent not otherwise included in computing taxable income or Ohio taxable income for any taxable year, the taxpayer's proportionate share of the amount of the tax levied under section 5747.38 of the Revised Code and paid by an electing pass-through entity for the taxable year.

(16) Add any income taxes deducted in computing federal taxable income or Ohio taxable income to the extent the income taxes were derived from income subject to a tax levied in another state or the District of Columbia when such tax was enacted for purposes of complying with internal revenue service

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(T) "School district income" and "school district income tax" have the same meanings as in section 5748.01 of the Revised Code.

(U) As used in divisions (A)(7), (A)(8), (S)(6), and (S)(7) of this section, "public obligations," "purchase obligations," and "interest or interest equivalent" have the same meanings as in section 5709.76 of the Revised Code.

(V) "Limited liability company" means any limited liability company formed under former Chapter 1705. of the Revised Code as that chapter existed prior to February 11, 2022, Chapter 1706. of the Revised Code, or the laws of any other state.

(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or equity investor in that pass-through entity.

(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code.

(Y) "Month" means a calendar month.

(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year.

(AA)(1) "Modified business income" means the business income included in a trust's Ohio taxable income after such taxable income is first reduced by the qualifying trust amount, if any.

(2) "Qualifying trust amount" of a trust means capital

gains and losses from the sale, exchange, or other disposition of equity or ownership interests in, or debt obligations of, a qualifying investee to the extent included in the trust's Ohio taxable income, but only if the following requirements are satisfied:

(a) The book value of the qualifying investee's physical assets in this state and everywhere, as of the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, is available to the trust.

(b) The requirements of section 5747.011 of the Revised Code are satisfied for the trust's taxable year in which the trust recognizes the gain or loss.

Any gain or loss that is not a qualifying trust amount is modified business income, qualifying investment income, or modified nonbusiness income, as the case may be.

(3) "Modified nonbusiness income" means a trust's Ohio taxable income other than modified business income, other than the qualifying trust amount, and other than qualifying investment income, as defined in section 5747.012 of the Revised Code, to the extent such qualifying investment income is not otherwise part of modified business income.

(4) "Modified Ohio taxable income" applies only to trusts, and means the sum of the amounts described in divisions (AA)(4)(a) to (c) of this section:

(a) The fraction, calculated under section 5747.013, and applying section 5747.231 of the Revised Code, multiplied by the sum of the following amounts:

(i) The trust's modified business income;

(ii) The trust's qualifying investment income, as defined in section 5747.012 of the Revised Code, but only to the extent the qualifying investment income does not otherwise constitute modified business income and does not otherwise constitute a qualifying trust amount.

(b) The qualifying trust amount multiplied by a fraction, the numerator of which is the sum of the book value of the qualifying investee's physical assets in this state on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the day on which the trust recognizes the qualifying trust amount, and the denominator of which is the sum of the book value of the qualifying investee's total physical assets everywhere on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the day on which the trust recognizes the qualifying trust amount. If, for a taxable year, the trust recognizes a qualifying trust amount with respect to more than one qualifying investee, the amount described in division (AA)(4)(b) of this section shall equal the sum of the products so computed for each such qualifying investee.

(c)(i) With respect to a trust or portion of a trust that is a resident as ascertained in accordance with division (I)(3)(d) of this section, its modified nonbusiness income.

(ii) With respect to a trust or portion of a trust that is not a resident as ascertained in accordance with division (I)(3)(d) of this section, the amount of its modified nonbusiness income satisfying the descriptions in divisions (B)(2) to (5) of section 5747.20 of the Revised Code, except as otherwise provided in division (AA)(4)(c)(ii) of this section. With respect to a trust or portion of a trust that is not a resident

as ascertained in accordance with division (I)(3)(d) of this section, the trust's portion of modified nonbusiness income recognized from the sale, exchange, or other disposition of a debt interest in or equity interest in a section 5747.212 entity, as defined in section 5747.212 of the Revised Code, without regard to division (A) of that section, shall not be allocated to this state in accordance with section 5747.20 of the Revised Code but shall be apportioned to this state in accordance with division (B) of section 5747.212 of the Revised Code without regard to division (A) of that section.

If the allocation and apportionment of a trust's income under divisions (AA)(4)(a) and (c) of this section do not fairly represent the modified Ohio taxable income of the trust in this state, the alternative methods described in division (C) of section 5747.21 of the Revised Code may be applied in the manner and to the same extent provided in that section.

(5)(a) Except as set forth in division (AA)(5)(b) of this section, "qualifying investee" means a person in which a trust has an equity or ownership interest, or a person or unit of government the debt obligations of either of which are owned by a trust. For the purposes of division (AA)(2)(a) of this section and for the purpose of computing the fraction described in division (AA)(4)(b) of this section, all of the following apply:

(i) If the qualifying investee is a member of a qualifying controlled group on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, then "qualifying investee" includes all persons in the qualifying controlled group on such last day.

(ii) If the qualifying investee, or if the qualifying

investee and any members of the qualifying controlled group of which the qualifying investee is a member on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, separately or cumulatively own, directly or indirectly, on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the qualifying trust amount, more than fifty per cent of the equity of a pass-through entity, then the qualifying investee and the other members are deemed to own the proportionate share of the pass-through entity's physical assets which the pass-through entity directly or indirectly owns on the last day of the pass-through entity's calendar or fiscal year ending within or with the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the qualifying trust amount.

(iii) For the purposes of division (AA)(5)(a)(iii) of this section, "upper level pass-through entity" means a pass-through entity directly or indirectly owning any equity of another pass-through entity, and "lower level pass-through entity" means that other pass-through entity.

An upper level pass-through entity, whether or not it is also a qualifying investee, is deemed to own, on the last day of the upper level pass-through entity's calendar or fiscal year, the proportionate share of the lower level pass-through entity's physical assets that the lower level pass-through entity directly or indirectly owns on the last day of the lower level pass-through entity's calendar or fiscal year ending within or with the last day of the upper level pass-through entity's fiscal or calendar year. If the upper level pass-through entity directly and indirectly owns less than fifty per cent of the

equity of the lower level pass-through entity on each day of the upper level pass-through entity's calendar or fiscal year in which or with which ends the calendar or fiscal year of the lower level pass-through entity and if, based upon clear and convincing evidence, complete information about the location and cost of the physical assets of the lower pass-through entity is not available to the upper level pass-through entity, then solely for purposes of ascertaining if a gain or loss constitutes a qualifying trust amount, the upper level pass-through entity shall be deemed as owning no equity of the lower level pass-through entity for each day during the upper level pass-through entity's calendar or fiscal year in which or with which ends the lower level pass-through entity's calendar or fiscal year. Nothing in division (AA)(5)(a)(iii) of this section shall be construed to provide for any deduction or exclusion in computing any trust's Ohio taxable income.

(b) With respect to a trust that is not a resident for the taxable year and with respect to a part of a trust that is not a resident for the taxable year, "qualifying investee" for that taxable year does not include a C corporation if both of the following apply:

(i) During the taxable year the trust or part of the trust recognizes a gain or loss from the sale, exchange, or other disposition of equity or ownership interests in, or debt obligations of, the C corporation.

(ii) Such gain or loss constitutes nonbusiness income.

(6) "Available" means information is such that a person is able to learn of the information by the due date plus extensions, if any, for filing the return for the taxable year in which the trust recognizes the gain or loss.

(BB) "Qualifying controlled group" has the same meaning as in section 5733.04 of the Revised Code.

(CC) "Related member" has the same meaning as in section 5733.042 of the Revised Code.

(DD)(1) For the purposes of division (DD) of this section:

(a) "Qualifying person" means any person other than a qualifying corporation.

(b) "Qualifying corporation" means any person classified for federal income tax purposes as an association taxable as a corporation, except either of the following:

(i) A corporation that has made an election under subchapter S, chapter one, subtitle A, of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year;

(ii) A subsidiary that is wholly owned by any corporation that has made an election under subchapter S, chapter one, subtitle A of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year.

(2) For the purposes of this chapter, unless expressly stated otherwise, no qualifying person indirectly owns any asset directly or indirectly owned by any qualifying corporation.

(EE) For purposes of this chapter and Chapter 5751. of the Revised Code:

(1) "Trust" does not include a qualified pre-income tax trust.

(2) A "qualified pre-income tax trust" is any pre-income

tax trust that makes a qualifying pre-income tax trust election as described in division (EE)(3) of this section.

(3) A "qualifying pre-income tax trust election" is an election by a pre-income tax trust to subject to the tax imposed by section 5751.02 of the Revised Code the pre-income tax trust and all pass-through entities of which the trust owns or controls, directly, indirectly, or constructively through related interests, five per cent or more of the ownership or equity interests. The trustee shall notify the tax commissioner in writing of the election on or before April 15, 2006. The election, if timely made, shall be effective on and after January 1, 2006, and shall apply for all tax periods and tax years until revoked by the trustee of the trust.

(4) A "pre-income tax trust" is a trust that satisfies all of the following requirements:

(a) The document or instrument creating the trust was executed by the grantor before January 1, 1972;

(b) The trust became irrevocable upon the creation of the trust; and

(c) The grantor was domiciled in this state at the time the trust was created.

(FF) "Uniformed services" means all of the following:

(1) "Armed forces of the United States" as defined in section 5907.01 of the Revised Code;

(2) The commissioned corps of the national oceanic and atmospheric administration;

(3) The commissioned corps of the public health service.

(GG) "Taxable business income" means the amount by which an individual's business income that is included in federal adjusted gross income exceeds the amount of business income the individual is authorized to deduct under division (A)(28) of this section for the taxable year.

(HH) "Employer" does not include a franchisor with respect to the franchisor's relationship with a franchisee or an employee of a franchisee, unless the franchisor agrees to assume that role in writing or a court of competent jurisdiction determines that the franchisor exercises a type or degree of control over the franchisee or the franchisee's employees that is not customarily exercised by a franchisor for the purpose of protecting the franchisor's trademark, brand, or both. For purposes of this division, "franchisor" and "franchisee" have the same meanings as in 16 C.F.R. 436.1.

(II) "Modified adjusted gross income" means Ohio adjusted gross income plus any amount deducted under divisions (A)(28) and (34) of this section for the taxable year.

(JJ) "Qualifying Ohio educator" means an individual who, for a taxable year, qualifies as an eligible educator, as that term is defined in section 62 of the Internal Revenue Code, and who holds a certificate, license, or permit described in Chapter 3319. or section 3301.071 of the Revised Code.

(KK)(1) "Charitable gaming" has the same meaning as in section 3768.01 of the Revised Code.

(2) "Permit holder" and "track" have the same meanings as in section 3769.01 of the Revised Code.

(3) "Lottery sports gaming," "transferee," "video lottery sales agent," and "video lottery terminal" have the same

meanings as in section 3770.01 of the Revised Code.

(4) "Lottery prize award" has the same meaning as in section 3770.01 of the Revised Code, except that "lottery prize award" does not include a prize award from a video lottery terminal and does not include winnings from lottery sports gaming from which, under the rules of the state lottery commission, the type C sports gaming proprietor is responsible for withholding amounts.

(5) "Internet gambling" and "internet gambling operator" have the same meanings as in section 3771.01 of the Revised Code.

(6) "Casino facility," "casino gaming," "casino operator," and "management company" have the same meanings as in section 3772.01 of the Revised Code.

(7) "Sports gaming," "sports gaming proprietor," "sports gaming facility," and "type C sports gaming proprietor" have the same meanings as in section 3775.01 of the Revised Code.

Sec. 5747.02. (A) For the purpose of providing revenue for the support of schools and local government functions, to provide relief to property taxpayers, to provide revenue for the general revenue fund, and to meet the expenses of administering the tax levied by this chapter, there is hereby levied on every individual, trust, and estate residing in or earning or receiving income in this state, on every individual, trust, and estate earning or receiving ~~lottery~~ gambling winnings, ~~prizes, or awards pursuant to Chapter 3770. of the Revised Code, on every individual, trust, and estate earning or receiving winnings on casino or sports gaming,~~ and on every individual, trust, and estate otherwise having nexus with or in this state

under the Constitution of the United States, an annual tax measured as prescribed in divisions (A)(1) to (4) of this section.

(1) In the case of trusts, the tax imposed by this section shall be measured by modified Ohio taxable income under division (D) of this section and levied in the same amount as the tax is imposed on estates as prescribed in division (A)(2) of this section.

(2) In the case of estates, the tax imposed by this section shall be measured by Ohio taxable income. The tax shall be levied at the rate of 1.38462% for the first twenty-six thousand fifty dollars of such income and, for income in excess of that amount, the tax shall be levied at the same rates prescribed in division (A)(3) of this section for individuals.

(3) In the case of individuals, the tax imposed by this section on income other than taxable business income shall be measured by Ohio adjusted gross income, less taxable business income and less an exemption for the taxpayer, the taxpayer's spouse, and each dependent as provided in section 5747.025 of the Revised Code. If the balance thus obtained is equal to or less than twenty-six thousand fifty dollars, no tax shall be imposed on that balance. If the balance thus obtained is greater than twenty-six thousand fifty dollars, the tax is hereby levied as follows:

(a) For taxable years beginning in 2023:

	1	2
A	OHIO ADJUSTED GROSS INCOME LESS TAXABLE BUSINESS INCOME AND EXEMPTIONS	TAX

	(INDIVIDUALS) OR MODIFIED OHIO TAXABLE INCOME (TRUSTS) OR OHIO TAXABLE INCOME (ESTATES)	
B	More than $26,050 but not more than $100,000	$360.69 plus 2.75% of the amount in excess of $26,050
C	More than $100,000 but not more than $115,300	$2,394.32 plus 3.688% of the amount in excess of $100,000
D	More than $115,300	$2,958.58 plus 3.75% of the amount in excess of $115,300

(b) For taxable years beginning in 2024 and thereafter:

	1	2
A	OHIO ADJUSTED GROSS INCOME LESS TAXABLE BUSINESS INCOME AND EXEMPTIONS (INDIVIDUALS) OR MODIFIED OHIO TAXABLE INCOME (TRUSTS) OR OHIO TAXABLE INCOME (ESTATES)	TAX
B	More than $26,050 but not more than $100,000	$360.69 plus 2.75% of the amount in excess of $26,050
C	More than $100,000	$2,394.32 plus 3.5% of the amount in excess of $100,000

(4)(a) In the case of individuals, the tax imposed by this

section on taxable business income shall equal three per cent of the result obtained by subtracting any amount allowed under division (A)(4)(b) of this section from the individual's taxable business income.

(b) If the exemptions allowed to an individual under division (A)(3) of this section exceed the taxpayer's Ohio adjusted gross income less taxable business income, the excess shall be deducted from taxable business income before computing the tax under division (A)(4)(a) of this section.

(5) Except as otherwise provided in this division, in August of each year, the tax commissioner shall make a new adjustment to the income amounts prescribed in divisions (A)(2) and (3) of this section by multiplying the percentage increase in the gross domestic product deflator computed that year under section 5747.025 of the Revised Code by each of the income amounts resulting from the adjustment under this division in the preceding year, adding the resulting product to the corresponding income amount resulting from the adjustment in the preceding year, and rounding the resulting sum to the nearest multiple of fifty dollars. The tax commissioner also shall recompute each of the tax dollar amounts to the extent necessary to reflect the new adjustment of the income amounts. To recompute the tax dollar amount corresponding to the lowest tax rate in division (A)(3) of this section, the commissioner shall multiply the tax rate prescribed in division (A)(2) of this section by the income amount specified in that division and as adjusted according to this paragraph. The rates of taxation shall not be adjusted.

The adjusted amounts apply to taxable years beginning in the calendar year in which the adjustments are made and to

taxable years beginning in each ensuing calendar year until a calendar year in which a new adjustment is made pursuant to this division. The tax commissioner shall not make a new adjustment in any year in which the amount resulting from the adjustment would be less than the amount resulting from the adjustment in the preceding year.

(B) If the director of budget and management makes a certification to the tax commissioner under division (B) of section 131.44 of the Revised Code, the amount of tax as determined under divisions (A)(1) to (3) of this section shall be reduced by the percentage prescribed in that certification for taxable years beginning in the calendar year in which that certification is made.

(C)(1) The tax imposed by this section on a trust shall be computed by multiplying the Ohio modified taxable income of the trust by the rates prescribed by division (A) of this section.

(2) A resident trust may claim a credit against the tax computed under division (C) of this section equal to the lesser of (a) the tax paid to another state or the District of Columbia on the resident trust's modified nonbusiness income, other than the portion of the resident trust's nonbusiness income that is qualifying investment income as defined in section 5747.012 of the Revised Code, or (b) the effective tax rate, based on modified Ohio taxable income, multiplied by the resident trust's modified nonbusiness income other than the portion of the resident trust's nonbusiness income that is qualifying investment income. The credit applies before any other applicable credits.

(3) Any credit authorized against the tax imposed by this section applies to a trust subject to division (C) of this

section only if the trust otherwise qualifies for the credit. To the extent that the trust distributes income for the taxable year for which a credit is available to the trust, the credit shall be shared by the trust and its beneficiaries. The tax commissioner and the trust shall be guided by applicable regulations of the United States treasury regarding the sharing of credits.

(D) For the purposes of this section, "trust" means any trust described in Subchapter J of Chapter 1 of the Internal Revenue Code, excluding trusts that are not irrevocable as defined in division (I)(3)(b) of section 5747.01 of the Revised Code and that have no modified Ohio taxable income for the taxable year, charitable remainder trusts, qualified funeral trusts and preneed funeral contract trusts established pursuant to sections 4717.31 to 4717.38 of the Revised Code that are not qualified funeral trusts, endowment and perpetual care trusts, qualified settlement trusts and funds, designated settlement trusts and funds, and trusts exempted from taxation under section 501(a) of the Internal Revenue Code.

(E) Nothing in division (A)(3) of this section shall prohibit an individual with an Ohio adjusted gross income, less taxable business income and exemptions, of twenty-six thousand fifty dollars or less from filing a return under this chapter to receive a refund of taxes withheld or to claim any refundable credit allowed under this chapter.

Sec. 5747.062. As used in this section, ~~"transferee" has the same meaning as in section 3770.10 of the Revised Code, and~~ "recipient" includes a transferee.

(A)(1) Before making any other deduction required by Chapter 3770. of the Revised Code, the state lottery commission

shall deduct and withhold an amount equal to four per cent of the payment from each lottery prize award payment that is of an amount for which reporting to the internal revenue service of the amount is required by section 6041 of the Internal Revenue Code, as amended.

(2) On or before the tenth day of each month, the state lottery commission, and each transferee required to deduct and withhold amounts pursuant to section 3770.072 of the Revised Code, shall file a return and remit to the tax commissioner all amounts deducted and withheld pursuant to this section during the preceding month.

(3) On or before the thirty-first day of January of each year, the state lottery commission, and each transferee required to deduct and withhold amounts pursuant to section 3770.072 of the Revised Code, shall file with the commissioner an annual return, in the form prescribed by the tax commissioner, indicating the total amount deducted and withheld pursuant to this section or section 3770.072 of the Revised Code during the preceding calendar year. At the time of filing that return, the state lottery commission or transferee shall remit any amount deducted and withheld during the preceding calendar year that was not previously remitted.

(4) The state lottery commission, and each transferee required to deduct and withhold amounts pursuant to section 3770.072 of the Revised Code, shall issue to each person with respect to whom tax has been deducted and withheld by the commission or transferee pursuant to this section or section 3770.072 of the Revised Code during the preceding calendar year, an information return in the form prescribed by the commissioner.

(B)(1) Division (B)(1) of this section does not apply 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 allowed as a credit against payment of the tax imposed pursuant to section 5747.02 of the Revised Code upon the lottery prize award recipient, upon a beneficiary of such a recipient, or upon any investor in such a recipient if the recipient is a pass-through entity or disregarded entity, and shall be treated as taxes paid by the recipient, beneficiary, or investor for purposes of section 5747.09 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. The requirements imposed under this section are in addition to ~~the~~ any applicable municipal income tax withholding requirements under section 718.031 of the Revised Code. ~~As used in this section, "sports gaming proprietor" and "sports gaming facility" have the same meanings as in section 3775.01 of the Revised Code.~~

(A)(1) If a ~~person's~~ patron's winnings from ~~casino gaming or from sports gaming~~ any of the following are an amount for which reporting to the internal revenue service of the amount is required by section 6041 of the Internal Revenue Code, as amended, ~~a casino operator or sports gaming proprietor~~ the applicable person shall deduct and withhold Ohio income tax from the person's winnings at a rate of four per cent of the amount won:

(a) A permit holder, with respect to winnings from pari-mutuel wagering on horse racing;

(b) A video lottery sales agent, with respect to winnings from a video lottery terminal;

(c) An internet gambling operator, with respect to winnings from internet gambling;

(d) A casino operator or management company, with respect to casino winnings;

(e) A sports gaming proprietor, with respect to winnings from sports gaming, except as otherwise provided regarding a type C sports gaming proprietor by rule of the state lottery commission adopted under section 3770.03 of the Revised Code. ~~A person's amount of winnings from casino gaming shall be determined each time the person exchanges amounts won in tokens, chips, casino credit, or other prepaid representations of value for cash or a cash equivalent. The casino operator or sports gaming proprietor~~

(2) The person conducting the withholding shall issue, to a ~~person~~ patron from whose winnings an amount has been deducted and withheld, a receipt for the amount deducted and withheld, and also shall obtain from the person additional information that will be necessary for the ~~casino operator or sports gaming proprietor~~ person conducting the withholding to prepare the returns required by this section.

~~(2) If a person's winnings from casino gaming or sports gaming require reporting to the internal revenue service under division (A)(1) of this section, the casino operator or sports gaming proprietor also shall require the person to state in writing, under penalty of falsification, whether the person is in default under a support order.~~

(B) Amounts deducted and withheld ~~by a casino operator or~~

~~sports gaming proprietor~~ under this section are held in trust for the benefit of the state.

(1) On or before the tenth day of each month, the ~~casino operator~~ person conducting the withholding shall file a return electronically with the tax commissioner identifying the ~~persons~~ patrons from whose winnings amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the winnings from which each such amount was withheld, the type of ~~casino~~ gaming ~~or sports gaming~~ that resulted in such winnings, and any other information required by the tax commissioner. With the return, the ~~casino operator or sports gaming proprietor~~ person conducting the withholding shall remit electronically to the commissioner all the amounts deducted and withheld during the preceding month.

(2)(a) A ~~casino operator or sports gaming proprietor shall maintain a record of each written statement provided under division (A)(2) of this section in which a person admits to being in default under a support order. The casino operator or sports gaming proprietor shall make these records available to the director of job and family services upon request.~~

~~(b) A casino operator or sports gaming proprietor~~ person conducting withholding under this section shall maintain copies of receipts issued under division ~~(A)(1)~~ (A)(2) of this section ~~and of written statements provided under division (A)(2) of this section~~ and shall make these copies available to the tax commissioner upon request.

~~(c)~~ (b) A ~~casino operator or sports gaming proprietor~~ person conducting withholding under this section shall maintain the information described in ~~divisions~~ division (B)(2)(a) ~~and~~

~~(b)~~ of this section 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 ~~casino operator or sports gaming proprietor~~ person conducting withholding under this section shall file an annual return electronically with the tax commissioner indicating the total amount deducted and withheld during the preceding calendar year. The ~~casino operator or sports gaming proprietor~~ person conducting the withholding 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~~ patron and the amount deducted and withheld with respect to that ~~person~~ patron were omitted on a monthly return, that information shall be indicated on the annual return.

(4)(a) A ~~casino operator or sports gaming proprietor~~ person described in division (A)(1) of this section 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 commissioner may impose a penalty up to one thousand dollars if a return is filed late, if amounts deducted and withheld are remitted late, if a return is not filed, or if amounts deducted and withheld are not remitted. Interest accrues on past due amounts deducted and withheld at the rate prescribed in section 5703.47 of the Revised Code. The commissioner may collect past due amounts deducted and withheld and penalties and interest thereon by assessment under section 5747.13 of the Revised Code as if they were income taxes collected by an employer.

(b) If a ~~casino operator or sports gaming proprietor~~ person described in division (A)(1) of this section sells the

person's casino facility ~~or~~ , sports gaming facility, or track or otherwise quits the ~~casino or sports~~ applicable gaming business, the amounts deducted and withheld and any penalties and interest thereon are immediately due and payable. The successor shall withhold an amount of the purchase money that is sufficient to cover the amounts deducted and withheld and penalties and interest thereon until the predecessor ~~casino operator or sports gaming proprietor~~ produces either a receipt from the commissioner showing that the amounts deducted and withheld and penalties and interest thereon have been paid or a certificate from the commissioner indicating that no amounts deducted and withheld or penalties and interest thereon are due. If the successor fails to withhold purchase money, the successor is personally liable for payment of the amounts deducted and withheld and penalties and interest thereon, up to the amount of the purchase money.

(C)(1) Annually, on or before the thirty-first day of January, a ~~casino operator or sports gaming proprietor~~ person conducting withholding under this section shall issue an information return to each ~~person~~ patron with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount deducted from the ~~person's~~ patron's winnings by the ~~casino operator or sports gaming proprietor~~ person conducting the withholding during the preceding calendar year.

(2) Annually, on or before the thirty-first day of January, a ~~casino operator or sports gaming proprietor~~ person conducting withholding under this section shall provide to the commissioner a copy of each information return issued under division (C)(1) of this section for the preceding calendar year. The commissioner may require that the copies be transmitted

electronically.

(D) Amounts deducted and withheld shall be allowed as a credit against payment of the tax imposed by section 5747.02 of the Revised Code and shall be treated as taxes paid for purposes of section 5747.09 of the Revised Code. This division applies only to the ~~person~~ patron for whom the amount is deducted and withheld.

(E) The failure of a ~~casino operator or sports gaming proprietor~~ person described in division (A)(1) of this section to deduct and withhold the required amount from a ~~person's~~ patron's winnings does not relieve the ~~person~~ patron from liability for the tax imposed by section 5747.02 of the Revised Code with respect to those winnings. And compliance with this section does not relieve a ~~casino operator or sports gaming proprietor~~ person described in division (A)(1) of this section or a ~~person~~ patron who has winnings ~~from casino gaming or sports gaming~~ from compliance with relevant provisions of federal tax laws.

(F) The commissioner shall prescribe the form of the receipt and returns required by this section. ~~The director of job and family services shall prescribe the form of the statement required by this section.~~

(G) The commissioner may adopt rules that are necessary to administer this section.

Sec. 5747.08. An annual return with respect to the tax imposed by section 5747.02 of the Revised Code and each tax imposed under Chapter 5748. of the Revised Code shall be made by every taxpayer for any taxable year for which the taxpayer is liable for the tax imposed by that section or under that

chapter, unless the total credits allowed under division (E) of section 5747.05 and divisions (F) and (G) of section 5747.055 of the Revised Code for the year are equal to or exceed the tax imposed by section 5747.02 of the Revised Code, in which case no return shall be required unless the taxpayer is liable for a tax imposed pursuant to Chapter 5748. of the Revised Code.

(A) If an individual is deceased, any return or notice required of that individual under this chapter shall be made and filed by that decedent's executor, administrator, or other person charged with the property of that decedent.

(B) If an individual is unable to make a return or notice required by this chapter, the return or notice required of that individual shall be made and filed by the individual's duly authorized agent, guardian, conservator, fiduciary, or other person charged with the care of the person or property of that individual.

(C) Returns or notices required of an estate or a trust shall be made and filed by the fiduciary of the estate or trust.

(D)(1)(a) Except as otherwise provided in division (D)(1)(b) of this section, any pass-through entity may file a single return on behalf of one or more of the entity's investors other than an investor that is a person subject to the tax imposed under section 5733.06 of the Revised Code. The single return shall set forth the name, address, and social security number or other identifying number of each of those pass-through entity investors and shall indicate the distributive share of each of those pass-through entity investor's income taxable in this state in accordance with sections 5747.20 to 5747.231 of the Revised Code. Such pass-through entity investors for whom the pass-through entity elects to file a single return are not

entitled to the exemption or credit provided for by sections 5747.02 and 5747.022 of the Revised Code; shall calculate the tax before business credits at the highest rate of tax set forth in section 5747.02 of the Revised Code for the taxable year for which the return is filed; and are entitled to only their distributive share of the business credits as defined in division (D)(2) of this section. A single check drawn by the pass-through entity shall accompany the return in full payment of the tax due, as shown on the single return, for such investors, other than investors who are persons subject to the tax imposed under section 5733.06 of the Revised Code.

(b)(i) A pass-through entity shall not include in such a single return any investor that is a trust to the extent that any direct or indirect current, future, or contingent beneficiary of the trust is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(ii) A pass-through entity shall not include in such a single return any investor that is itself a pass-through entity to the extent that any direct or indirect investor in the second pass-through entity is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(c) Except as provided by division (L) of this section, nothing in division (D) of this section precludes the tax commissioner from requiring such investors to file the return and make the payment of taxes and related interest, penalty, and interest penalty required by this section or section 5747.02, 5747.09, or 5747.15 of the Revised Code. Nothing in division (D) of this section precludes such an investor from filing the annual return under this section, utilizing the refundable credit equal to the investor's proportionate share of the tax

paid by the pass-through entity on behalf of the investor under division (I) of this section, and making the payment of taxes imposed under section 5747.02 of the Revised Code. Nothing in division (D) of this section shall be construed to provide to such an investor or pass-through entity any additional deduction or credit, other than the credit provided by division (I) of this section, solely on account of the entity's filing a return in accordance with this section. Such a pass-through entity also shall make the filing and payment of estimated taxes on behalf of the pass-through entity investors other than an investor that is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(2) For the purposes of this section, "business credits" means the credits listed in section 5747.98 of the Revised Code excluding the following credits:

(a) The retirement income credit under division (B) of section 5747.055 of the Revised Code;

(b) The senior citizen credit under division (F) of section 5747.055 of the Revised Code;

(c) The lump sum distribution credit under division (G) of section 5747.055 of the Revised Code;

(d) The dependent care credit under section 5747.054 of the Revised Code;

(e) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;

(f) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;

(g) The lump sum retirement income credit under division

(E) of section 5747.055 of the Revised Code;

(h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;

(i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;

(j) The joint filing credit under division (E) of section 5747.05 of the Revised Code;

(k) The nonresident credit under division (A) of section 5747.05 of the Revised Code;

(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;

(m) The earned income tax credit under section 5747.71 of the Revised Code;

(n) The lead abatement credit under section 5747.26 of the Revised Code;

(o) The credit for education expenses under section 5747.72 of the Revised Code;

(p) The credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code.

(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.

(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 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.

(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 joint and several, but, if the federal income tax liability of either spouse is determined on a separate federal income tax return, they shall file separate returns under this section.

If either spouse is not required to file a federal income tax return and either or both are required to file a return pursuant to this chapter, they may elect to file separate or joint returns, and, pursuant to that election, their liabilities are separate or joint and several. If a husband and wife file separate returns pursuant to this chapter, each must claim the

taxpayer's own exemption, but not both, as authorized under section 5747.02 of the Revised Code on the taxpayer's own return.

(F) Each return or notice required to be filed under this section shall contain the signature of the taxpayer or the taxpayer's duly authorized agent and of the person who prepared the return for the taxpayer, and shall include the taxpayer's social security number. Each return shall be verified by a declaration under the penalties of perjury. The tax commissioner shall prescribe the form that the signature and declaration shall take.

(G) Each return or notice required to be filed under this section shall be made and filed as required by section 5747.04 of the Revised Code, on or before the fifteenth day of April of each year, on forms that the tax commissioner shall prescribe, together with remittance made payable to the treasurer of state in the combined amount of the state and all school district income taxes shown to be due on the form.

Upon good cause shown, the commissioner may extend the period for filing any notice or return required to be filed under this section and may adopt rules relating to extensions. If the extension results in an extension of time for the payment of any state or school district income tax liability with respect to which the return is filed, the taxpayer shall pay at the time the tax liability is paid an amount of interest computed at the rate per annum prescribed by section 5703.47 of the Revised Code on that liability from the time that payment is due without extension to the time of actual payment. Except as provided in section 5747.132 of the Revised Code, in addition to all other interest charges and penalties, all taxes imposed

under this chapter or Chapter 5748. of the Revised Code and remaining unpaid after they become due, except combined amounts due of one dollar or less, bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code until paid or until the day an assessment is issued under section 5747.13 of the Revised Code, whichever occurs first.

If the commissioner considers it necessary in order to ensure the payment of the tax imposed by section 5747.02 of the Revised Code or any tax imposed under Chapter 5748. of the Revised Code, the commissioner may require returns and payments to be made otherwise than as provided in this section.

To the extent that any provision in this division conflicts with any provision in section 5747.026 of the Revised Code, the provision in that section prevails.

(H) The amounts withheld pursuant to section 5747.06, 5747.062, 5747.063, ~~5747.064,~~ 5747.065, or 5747.071 of the Revised Code shall be allowed to the ultimate recipient of the income as credits against payment of the appropriate taxes imposed on the ultimate recipient by section 5747.02 and under Chapter 5748. of the Revised Code. As used in this division, "ultimate recipient" means the person who is required to report income from which amounts are withheld pursuant to section 5747.06, 5747.062, 5747.063, ~~5747.064,~~ 5747.065, or 5747.071 of the Revised Code on the annual return required to be filed under this section.

(I) If a pass-through entity elects to file a single return under division (D) of this section and if any investor is required to file the annual return and make the payment of taxes required by this chapter on account of the investor's other income that is not included in a single return filed by a pass-

through entity or any other investor elects to file the annual return, the investor is entitled to a refundable credit equal to the investor's proportionate share of the tax paid by the pass-through entity on behalf of the investor. The investor shall claim the credit for the investor's taxable year in which or with which ends the taxable year of the pass-through entity. Nothing in this chapter shall be construed to allow any credit provided in this chapter to be claimed more than once. For the purpose of computing any interest, penalty, or interest penalty, the investor shall be deemed to have paid the refundable credit provided by this division on the day that the pass-through entity paid the estimated tax or the tax giving rise to the credit.

(J) The tax commissioner shall ensure that each return required to be filed under this section includes a box that the taxpayer may check to authorize a paid tax preparer who prepared the return to communicate with the department of taxation about matters pertaining to the return. The return or instructions accompanying the return shall indicate that by checking the box the taxpayer authorizes the department of taxation to contact the preparer concerning questions that arise during the processing of the return and authorizes the preparer only to provide the department with information that is missing from the return, to contact the department for information about the processing of the return or the status of the taxpayer's refund or payments, and to respond to notices about mathematical errors, offsets, or return preparation that the taxpayer has received from the department and has shown to the preparer.

(K) The tax commissioner shall permit individual taxpayers to instruct the department of taxation to cause any refund of overpaid taxes to be deposited directly into a checking account,

savings account, or an individual retirement account or individual retirement annuity, or preexisting college savings plan or program account offered by the Ohio tuition trust authority under Chapter 3334. of the Revised Code, as designated by the taxpayer, when the taxpayer files the annual return required by this section electronically.

(L) If, for the taxable year, a nonresident or trust that is the owner of an electing pass-through entity, as defined in section 5747.38 of the Revised Code, does not have Ohio adjusted gross income or, in the case of a trust, modified Ohio taxable income other than from one or more electing pass-through entities, the nonresident or trust shall not be required to file an annual return under this section. Nothing in this division precludes such an owner from filing the annual return under this section, utilizing the refundable credit under section 5747.39 of the Revised Code equal to the owner's proportionate share of the tax levied under section 5747.38 of the Revised Code and paid by the electing pass-through entity, and making the payment of taxes imposed under section 5747.02 of the Revised Code.

(M) The tax commissioner may adopt rules to administer this section.

Sec. 5747.12. (A) If a person entitled to a refund under section 5747.11 or 5747.13 of the Revised Code is indebted for any of the following, the amount refundable may be applied in satisfaction of the debt:

(1) To this state for any tax, workers' compensation premium due under section 4123.35 of the Revised Code, or unemployment compensation contribution due under section 4141.25 of the Revised Code;

(2) To the state or a political subdivision for a certified claim under section 131.02 or 131.021 of the Revised Code or a finding for recovery included in a certified report that has been filed with the attorney general pursuant to sections 117.28 and 117.30 of the Revised Code;

(3) For a fee that is paid to the state or to the clerk of courts pursuant to section 4505.06 of the Revised Code;

(4) For any charge, penalty, collection cost, or interest arising from a debt listed in divisions (A)(1) to (3) of this section.

(B) If the amount refundable is less than the amount of the debt owed under division (A) of this section, it may be applied in partial satisfaction of the debt. If the amount refundable is greater than the amount of that debt, the amount remaining after satisfaction of the debt shall be refunded. If the person has more than one debt listed in division (A) of this section, any debt subject to section 5739.33 or division (G) of section 5747.07 of the Revised Code or arising under section 5747.063 ~~or 5747.064~~ of the Revised Code shall be satisfied first.

(C) Except as provided in section 131.021 of the Revised Code, this section applies only to debts that have become final.

(D) The tax commissioner may charge each respective agency of the state for the commissioner's cost in applying refunds to debts due to the state and may charge the attorney general for the commissioner's cost in applying refunds to certified claims.

(E) The commissioner may promulgate rules to implement this section. The rules may address, among other things, situations such as those where persons may jointly be entitled

to a refund but do not jointly owe a debt or certified claim.

(F) The commissioner may, with the consent of the taxpayer, provide for the crediting, against tax imposed under this chapter or Chapter 5748. of the Revised Code and due for any taxable year, of the amount of any refund due the taxpayer under this chapter or Chapter 5748. of the Revised Code, as appropriate, for a preceding taxable year.

Sec. 5747.20. This section applies solely for the purposes of computing the credit allowed under division (A) of section 5747.05 of the Revised Code and computing income taxable in this state under division (D) of section 5747.08 of the Revised Code.

All items of nonbusiness income or deduction shall be allocated in this state as follows:

(A) All items of nonbusiness income or deduction taken into account in the computation of adjusted gross income for the taxable year by a resident shall be allocated to this state.

(B) All items of nonbusiness income or deduction taken into account in the computation of adjusted gross income for the taxable year by a nonresident shall be allocated to this state as follows:

(1) All items of compensation paid to an individual for personal services performed in this state who was a nonresident at the time of payment and all items of deduction directly allocated thereto shall be allocated to this state.

(2) All gains or losses from the sale of real property, tangible personal property, or intangible property shall be allocated as follows:

(a) Capital gains or losses from the sale or other

transfer of real property are allocable to this state if the property is located physically in this state.

(b) Capital gains or losses from the sale or other transfer of tangible personal property are allocable to this state if, at the time of such sale or other transfer, the property had its physical location in this state.

(c) Capital gains or losses from the sale or other transfer of intangible personal property are allocable to this state if the taxpayer's domicile was in this state at the time of such sale or other transfer.

(3) All rents and royalties of real or tangible personal property shall be allocated to this state as follows:

(a) Rents and royalties derived from real property are allocable to this state if the property is physically located in this state.

(b) Rents and royalties derived from tangible personal property are allocable to this state to the extent that such property is utilized in this state.

The extent of utilization of tangible personal property in a state is determined by multiplying the rents or royalties derived from such property by a fraction, the numerator of which is the number of days of physical location of the property in this state during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the nonresident, tangible personal property is utilized in the state in which the property was

located at the time the rental or royalty payor obtained possession.

(4) All patent and copyright royalties shall be allocated to this state to the extent the patent or copyright was utilized by the payor in this state.

A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state, or to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the patent is utilized in this state if the taxpayer's domicile was in this state at the time such royalties were paid or accrued.

A copyright is utilized in a state to the extent that printing or other publication originates in the state. If the basis of receipts from copyright royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the copyright is utilized in this state if the taxpayer's domicile was in this state at the time such royalties were paid or accrued.

(5)(a) All lottery prize awards paid by the state lottery commission pursuant to Chapter 3770. of the Revised Code shall be allocated to this state.

(b) All earnings, profit, income, and gain from the sale, exchange, or other disposition of lottery prize awards paid or to be paid to any person by the state lottery commission pursuant to Chapter 3770. of the Revised Code shall be allocated to this state.

(c) All earnings, profit, income, and gain from the direct

or indirect ownership of lottery prize awards paid or to be paid to any person by the state lottery commission pursuant to Chapter 3770. of the Revised Code shall be allocated to this state.

(d) All earnings, profit, income, and gain from the direct or indirect interest in any right in or to any lottery prize awards paid or to be paid to any person by the state lottery commission pursuant to Chapter 3770. of the Revised Code shall be allocated to this state.

(6) Any item of income or deduction which has been taken into account in the computation of adjusted gross income for the taxable year by a nonresident and which is not otherwise specifically allocated or apportioned pursuant to sections 5747.20 to 5747.23 of the Revised Code, including, without limitation, interest, dividends and distributions, items of income taken into account under the provisions of sections 401 to 425 of the Internal Revenue Code, and benefit payments received by a beneficiary of a supplemental unemployment trust which is referred to in section 501(c)(17) of the Internal Revenue Code, shall not be allocated to this state unless the taxpayer's domicile was in this state at the time such income was paid or accrued.

(7) All winnings from charitable gaming, pari-mutuel wagering on horse racing, lottery gaming, internet gambling, casino gaming, or sports gaming conducted in this state shall be allocated to the state.

(C) If an individual is a resident for part of the taxable year and a nonresident for the remainder of the taxable year, all items of nonbusiness income or deduction shall be allocated under division (A) of this section for the part of the taxable

year that the individual is a resident and under division (B) of this section for the part of the taxable year that the individual is a nonresident.

Sec. 5751.01. As used in this chapter:

(A) "Person" means, but is not limited to, individuals, combinations of individuals of any form, receivers, assignees, trustees in bankruptcy, firms, companies, joint-stock companies, business trusts, estates, partnerships, limited liability partnerships, limited liability companies, associations, joint ventures, clubs, societies, for-profit corporations, S corporations, qualified subchapter S subsidiaries, qualified subchapter S trusts, trusts, entities that are disregarded for federal income tax purposes, and any other entities.

(B) "Consolidated elected taxpayer" means a group of two or more persons treated as a single taxpayer for purposes of this chapter as the result of an election made under section 5751.011 of the Revised Code.

(C) "Combined taxpayer" means a group of two or more persons treated as a single taxpayer for purposes of this chapter under section 5751.012 of the Revised Code.

(D) "Taxpayer" means any person, or any group of persons in the case of a consolidated elected taxpayer or combined taxpayer treated as one taxpayer, required to register or pay tax under this chapter. "Taxpayer" does not include excluded persons.

(E) "Excluded person" means any of the following:

(1) Any person with not more than one hundred fifty thousand dollars of taxable gross receipts during the calendar year. Division (E)(1) of this section does not apply to a person

that is a member of a consolidated elected taxpayer.

(2) A public utility that paid the excise tax imposed by section 5727.24 or 5727.30 of the Revised Code based on one or more measurement periods that include the entire tax period under this chapter, except in the following circumstances:

(a) A public utility that is a combined company is a taxpayer with regard to the following gross receipts:

(i) Taxable gross receipts directly attributed to a public utility activity, but not directly attributed to an activity that is subject to the excise tax imposed by section 5727.24 or 5727.30 of the Revised Code;

(ii) Taxable gross receipts that cannot be directly attributed to any activity, multiplied by a fraction whose numerator is the taxable gross receipts described in division (E)(2)(a)(i) of this section and whose denominator is the total taxable gross receipts that can be directly attributed to any activity;

(iii) Except for any differences resulting from the use of an accrual basis method of accounting for purposes of determining gross receipts under this chapter and the use of the cash basis method of accounting for purposes of determining gross receipts under section 5727.24 of the Revised Code, the gross receipts directly attributed to the activity of a natural gas company shall be determined in a manner consistent with division (D) of section 5727.03 of the Revised Code.

(b) A heating company that became exempt from the excise tax imposed by section 5727.30 of the Revised Code on May 1, 2023, shall not be an excluded person for tax periods beginning on or after July 1, 2023.

As used in division (E)(2) of this section, "combined company" and "public utility" have the same meanings as in section 5727.01 of the Revised Code.

(3) A financial institution, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under this chapter;

(4) A person directly or indirectly owned by one or more financial institutions, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under this chapter.

For the purposes of division (E)(4) of this section, a person owns another person under the following circumstances:

(a) In the case of corporations issuing capital stock, one corporation owns another corporation if it owns fifty per cent or more of the other corporation's capital stock with current voting rights;

(b) In the case of a limited liability company, one person owns the company if that person's membership interest, as defined in section 1706.01 of the Revised Code, is fifty per cent or more of the combined membership interests of all persons owning such interests in the company;

(c) In the case of a partnership, trust, or other unincorporated business organization other than a limited liability company, one person owns the organization if, under the articles of organization or other instrument governing the affairs of the organization, that person has a beneficial interest in the organization's profits, surpluses, losses, or

distributions of fifty per cent or more of the combined beneficial interests of all persons having such an interest in the organization.

(5) A domestic insurance company or foreign insurance company, as defined in section 5725.01 of the Revised Code, that paid the insurance company premiums tax imposed by section 5725.18 or Chapter 5729. of the Revised Code, or an unauthorized insurance company whose gross premiums are subject to tax under section 3905.36 of the Revised Code based on one or more measurement periods that include the entire tax period under this chapter;

(6) A person that solely facilitates or services one or more securitizations of phase-in-recovery property pursuant to a final financing order as those terms are defined in section 4928.23 of the Revised Code. For purposes of this division, "securitization" means transferring one or more assets to one or more persons and then issuing securities backed by the right to receive payment from the asset or assets so transferred.

(7) Except as otherwise provided in this division, a pre-income tax trust as defined in section 5747.01 of the Revised Code and any pass-through entity of which such pre-income tax trust owns or controls, directly, indirectly, or constructively through related interests, more than five per cent of the ownership or equity interests. If the pre-income tax trust has made a qualifying pre-income tax trust election under division (EE) of section 5747.01 of the Revised Code, then the trust and the pass-through entities of which it owns or controls, directly, indirectly, or constructively through related interests, more than five per cent of the ownership or equity interests, shall not be excluded persons for purposes of the tax

imposed under section 5751.02 of the Revised Code.

(8) Nonprofit organizations or the state and its agencies, instrumentalities, or political subdivisions.

(F) Except as otherwise provided in divisions (F)(2), (3), and (4) of this section, "gross receipts" means the total amount realized by a person, without deduction for the cost of goods sold or other expenses incurred, that contributes to the production of gross income of the person, including the fair market value of any property and any services received, and any debt transferred or forgiven as consideration.

(1) The following are examples of gross receipts:

(a) Amounts realized from the sale, exchange, or other disposition of the taxpayer's property to or with another;

(b) Amounts realized from the taxpayer's performance of services for another;

(c) Amounts realized from another's use or possession of the taxpayer's property or capital;

(d) Any combination of the foregoing amounts.

(2) "Gross receipts" excludes the following amounts:

(a) Interest income except interest on credit sales;

(b) Dividends and distributions from corporations, and distributive or proportionate shares of receipts and income from a pass-through entity as defined under section 5733.04 of the Revised Code;

(c) Receipts from the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, without regard to the length of time the person

held the asset. Notwithstanding section 1221 of the Internal Revenue Code, receipts from hedging transactions also are excluded to the extent the transactions are entered into primarily to protect a financial position, such as managing the risk of exposure to (i) foreign currency fluctuations that affect assets, liabilities, profits, losses, equity, or investments in foreign operations; (ii) interest rate fluctuations; or (iii) commodity price fluctuations. As used in division (F)(2)(c) of this section, "hedging transaction" has the same meaning as used in section 1221 of the Internal Revenue Code and also includes transactions accorded hedge accounting treatment under statement of financial accounting standards number 133 of the financial accounting standards board. For the purposes of division (F)(2)(c) of this section, the actual transfer of title of real or tangible personal property to another entity is not a hedging transaction.

(d) Proceeds received attributable to the repayment, maturity, or redemption of the principal of a loan, bond, mutual fund, certificate of deposit, or marketable instrument;

(e) The principal amount received under a repurchase agreement or on account of any transaction properly characterized as a loan to the person;

(f) Contributions received by a trust, plan, or other arrangement, any of which is described in section 501(a) of the Internal Revenue Code, or to which Title 26, Subtitle A, Chapter 1, Subchapter (D) of the Internal Revenue Code applies;

(g) Compensation, whether current or deferred, and whether in cash or in kind, received or to be received by an employee, former employee, or the employee's legal successor for services rendered to or for an employer, including reimbursements

received by or for an individual for medical or education expenses, health insurance premiums, or employee expenses, or on account of a dependent care spending account, legal services plan, any cafeteria plan described in section 125 of the Internal Revenue Code, or any similar employee reimbursement;

(h) Proceeds received from the issuance of the taxpayer's own stock, options, warrants, puts, or calls, or from the sale of the taxpayer's treasury stock;

(i) Proceeds received on the account of payments from insurance policies, except those proceeds received for the loss of business revenue;

(j) Gifts or charitable contributions received; membership dues received by trade, professional, homeowners', or condominium associations; payments received for educational courses, meetings, meals, or similar payments to a trade, professional, or other similar association; and fundraising receipts received by any person when any excess receipts are donated or used exclusively for charitable purposes;

(k) Damages received as the result of litigation in excess of amounts that, if received without litigation, would be gross receipts;

(l) Property, money, and other amounts received or acquired by an agent on behalf of another in excess of the agent's commission, fee, or other remuneration;

(m) Tax refunds, other tax benefit recoveries, and reimbursements for the tax imposed under this chapter made by entities that are part of the same combined taxpayer or consolidated elected taxpayer group, and reimbursements made by entities that are not members of a combined taxpayer or

consolidated elected taxpayer group that are required to be made for economic parity among multiple owners of an entity whose tax obligation under this chapter is required to be reported and paid entirely by one owner, pursuant to the requirements of sections 5751.011 and 5751.012 of the Revised Code;

(n) Pension reversions;

(o) Contributions to capital;

(p) Sales or use taxes collected as a vendor or an out-of-state seller on behalf of the taxing jurisdiction from a consumer or other taxes the taxpayer is required by law to collect directly from a purchaser and remit to a local, state, or federal tax authority;

(q) In the case of receipts from the sale of cigarettes, tobacco products, or vapor products by a wholesale dealer, retail dealer, distributor, manufacturer, vapor distributor, or seller, all as defined in section 5743.01 of the Revised Code, an amount equal to the federal and state excise taxes paid by any person on or for such cigarettes, tobacco products, or vapor products under subtitle E of the Internal Revenue Code or Chapter 5743. of the Revised Code;

(r) In the case of receipts from the sale, transfer, exchange, or other disposition of motor fuel as "motor fuel" is defined in section 5736.01 of the Revised Code, an amount equal to the value of the motor fuel, including federal and state motor fuel excise taxes and receipts from billing or invoicing the tax imposed under section 5736.02 of the Revised Code to another person;

(s) In the case of receipts from the sale of beer or intoxicating liquor, as defined in section 4301.01 of the

Revised Code, by a person holding a permit issued under Chapter 4301. or 4303. of the Revised Code, an amount equal to federal and state excise taxes paid by any person on or for such beer or intoxicating liquor under subtitle E of the Internal Revenue Code or Chapter 4301. or 4305. of the Revised Code;

(t) Receipts realized by a new motor vehicle dealer or used motor vehicle dealer, as defined in section 4517.01 of the Revised Code, from the sale or other transfer of a motor vehicle, as defined in that section, to another motor vehicle dealer for the purpose of resale by the transferee motor vehicle dealer, but only if the sale or other transfer was based upon the transferee's need to meet a specific customer's preference for a motor vehicle;

(u) Receipts from a financial institution described in division (E)(3) of this section for services provided to the financial institution in connection with the issuance, processing, servicing, and management of loans or credit accounts, if such financial institution and the recipient of such receipts have at least fifty per cent of their ownership interests owned or controlled, directly or constructively through related interests, by common owners;

(v) Receipts realized from administering anti-neoplastic drugs and other cancer chemotherapy, biologicals, therapeutic agents, and supportive drugs in a physician's office to patients with cancer;

(w) Funds received or used by a mortgage broker that is not a dealer in intangibles, other than fees or other consideration, pursuant to a table-funding mortgage loan or warehouse-lending mortgage loan. Terms used in division (F)(2)(w) of this section have the same meanings as in section 1322.01

of the Revised Code, except "mortgage broker" means a person assisting a buyer in obtaining a mortgage loan for a fee or other consideration paid by the buyer or a lender, or a person engaged in table-funding or warehouse-lending mortgage loans that are first lien mortgage loans.

(x) Property, money, and other amounts received by a professional employer organization, as defined in section 4125.01 of the Revised Code, or an alternate employer organization, as defined in section 4133.01 of the Revised Code, from a client employer, as defined in either of those sections as applicable, in excess of the administrative fee charged by the professional employer organization or the alternate employer organization to the client employer;

(y) In the case of amounts retained as commissions by a permit holder under Chapter 3769. of the Revised Code, an amount equal to the amounts specified under that chapter that must be paid to or collected by the tax commissioner as a tax and the amounts specified under that chapter to be used as purse money;

(z) Qualifying distribution center receipts as determined under section 5751.40 of the Revised Code;

(aa) Receipts of an employer from payroll deductions relating to the reimbursement of the employer for advancing moneys to an unrelated third party on an employee's behalf;

(bb) Cash discounts allowed and taken;

(cc) Returns and allowances;

(dd) Bad debts from receipts on the basis of which the tax imposed by this chapter was paid in a prior quarterly tax payment period. For the purpose of this division, "bad debts" means any debts that have become worthless or uncollectible

between the preceding and current quarterly tax payment periods, have been uncollected for at least six months, and that may be claimed as a deduction under section 166 of the Internal Revenue Code and the regulations adopted under that section, or that could be claimed as such if the taxpayer kept its accounts on the accrual basis. "Bad debts" does not include repossessed property, uncollectible amounts on property that remains in the possession of the taxpayer until the full purchase price is paid, or expenses in attempting to collect any account receivable or for any portion of the debt recovered.

(ee) Any amount realized from the sale of an account receivable to the extent the receipts from the underlying transaction giving rise to the account receivable were included in the gross receipts of the taxpayer;

(ff) Any receipts directly attributed to a transfer agreement or to the enterprise transferred under that agreement under section 4313.02 of the Revised Code;

(gg) Qualified uranium receipts as determined under section 5751.41 of the Revised Code;

(hh) In the case of amounts collected by a licensed casino operator from casino gaming, amounts in excess of the casino operator's gross casino revenue. In this division, "casino operator" and "casino gaming" have the meanings defined in section 3772.01 of the Revised Code, and "gross casino revenue" has the meaning defined in section 5753.01 of the Revised Code.

(ii) Receipts realized from the sale of agricultural commodities by an agricultural commodity handler, both as defined in section 926.01 of the Revised Code, that is licensed by the director of agriculture to handle agricultural

commodities in this state;

(jj) Qualifying integrated supply chain receipts as determined under section 5751.42 of the Revised Code;

(kk) In the case of a railroad company described in division (D)(9) of section 5727.01 of the Revised Code that purchases dyed diesel fuel directly from a supplier as defined by section 5736.01 of the Revised Code, an amount equal to the product of the number of gallons of dyed diesel fuel purchased directly from such a supplier multiplied by the average wholesale price for a gallon of diesel fuel as determined under section 5736.02 of the Revised Code for the period during which the fuel was purchased multiplied by a fraction, the numerator of which equals the rate of tax levied by section 5736.02 of the Revised Code less the rate of tax computed in section 5751.03 of the Revised Code, and the denominator of which equals the rate of tax computed in section 5751.03 of the Revised Code;

(ll) Receipts realized by an out-of-state disaster business from disaster work conducted in this state during a disaster response period pursuant to a qualifying solicitation received by the business. Terms used in division (F)(2)(ll) of this section have the same meanings as in section 5703.94 of the Revised Code.

(mm) In the case of receipts from the sale or transfer of a mortgage-backed security or a mortgage loan by a mortgage lender holding a valid certificate of registration issued under Chapter 1322. of the Revised Code or by a person that is a member of the mortgage lender's consolidated elected taxpayer group, an amount equal to the principal balance of the mortgage loan;

(nn) Amounts of excess surplus of the state insurance fund received by the taxpayer from the Ohio bureau of workers' compensation pursuant to rules adopted under section 4123.321 of the Revised Code;

(oo) Except as otherwise provided in division (B) of section 5751.091 of the Revised Code, receipts of a megaproject supplier from sales of tangible personal property directly to a megaproject operator in this state for use at the site of the megaproject operator's megaproject, provided that the sale occurs during the period that the megaproject operator has an agreement with the tax credit authority for the megaproject under division (D) of section 122.17 of the Revised Code that remains in effect and has not expired or been terminated, and provided the megaproject supplier holds a certificate for such megaproject issued under section 5751.052 of the Revised Code for the calendar year in which the sales are made and, if the megaproject supplier meets the requirements described in division (A)(13)(b) of section 122.17 of the Revised Code, the megaproject supplier holds a certificate for such megaproject issued under division (D)(11) of section 122.17 of the Revised Code on the first day of that calendar year;

(pp) Receipts from the sale of each new piece of capital equipment that has a cost in excess of one hundred million dollars and that is used at the site of a megaproject that satisfies the criteria described in division (A)(11)(a)(ii) of section 122.17 of the Revised Code, provided that the sale occurs during the period that a megaproject operator has an agreement for that megaproject with the tax credit authority under division (D) of section 122.17 of the Revised Code that remains in effect and has not expired or been terminated;

(qq) In the case of amounts collected by a sports gaming proprietor from sports gaming, amounts in excess of the proprietor's sports gaming receipts. As used in this division, "sports gaming proprietor" has the same meaning as in section 3775.01 of the Revised Code and "sports gaming receipts" has the same meaning as in section 5753.01 of the Revised Code.

(rr) Amounts received from any federal, state, or local grant, and amounts of indebtedness discharged or forgiven pursuant to federal, state, or local law, for providing or expanding access to broadband service in this state. As used in this division, "broadband service" has the same meaning as in section 188.01 of the Revised Code.

(ss) Receipts provided to a taxpayer to compensate for lost business resulting from the train derailment near the city of East Palestine on February 3, 2023, by any of the following:

(i) A federal, state, or local government agency;

(ii) A railroad company, as that term is defined in section 5727.01 of the Revised Code;

(iii) Any subsidiary, insurer, or agent of a railroad company or any related person.

(tt) An amount equal to the fee imposed by section 3743.22 of the Revised Code billed to the purchaser, collected by the taxpayer, and remitted to the fire marshal during the tax period, provided that the fee is separately stated on the invoice, bill of sale, or similar document given to the purchaser of 1.4G fireworks in this state~~.~~;

(uu) In the case of amounts collected by an internet gambling operator from internet gambling, amounts in excess of the operator's internet gambling receipts. As used in this

division, "internet gambling" and "internet gambling operator" have the same meanings as in section 3771.01 of the Revised Code and "internet gambling receipts" has the same meaning as in section 5753.01 of the Revised Code.

(vv) Any receipts for which the tax imposed by this chapter is prohibited by the constitution or laws of the United States or the constitution of this state;

~~(vv)~~ (ww) Receipts from fees imposed under sections 128.41 and 128.42 of the Revised Code.

(3) In the case of a taxpayer when acting as a real estate broker, "gross receipts" includes only the portion of any fee for the service of a real estate broker, or service of a real estate salesperson associated with that broker, that is retained by the broker and not paid to an associated real estate salesperson or another real estate broker. For the purposes of this division, "real estate broker" and "real estate salesperson" have the same meanings as in section 4735.01 of the Revised Code.

(4) A taxpayer's method of accounting for gross receipts for a tax period shall be the same as the taxpayer's method of accounting for federal income tax purposes for the taxpayer's federal taxable year that includes the tax period. If a taxpayer's method of accounting for federal income tax purposes changes, its method of accounting for gross receipts under this chapter shall be changed accordingly.

(G) "Taxable gross receipts" means gross receipts sitused to this state under section 5751.033 of the Revised Code.

(H) A person has "substantial nexus with this state" if any of the following applies. The person:

(1) Owns or uses a part or all of its capital in this state;

(2) Holds a certificate of compliance with the laws of this state authorizing the person to do business in this state;

(3) Has bright-line presence in this state;

(4) Otherwise has nexus with this state to an extent that the person can be required to remit the tax imposed under this chapter under the Constitution of the United States.

(I) A person has "bright-line presence" in this state for a reporting period and for the remaining portion of the calendar year if any of the following applies. The person:

(1) Has at any time during the calendar year property in this state with an aggregate value of at least fifty thousand dollars. For the purpose of division (I)(1) of this section, owned property is valued at original cost and rented property is valued at eight times the net annual rental charge.

(2) Has during the calendar year payroll in this state of at least fifty thousand dollars. Payroll in this state includes all of the following:

(a) Any amount subject to withholding by the person under section 5747.06 of the Revised Code;

(b) Any other amount the person pays as compensation to an individual under the supervision or control of the person for work done in this state; and

(c) Any amount the person pays for services performed in this state on its behalf by another.

(3) Has during the calendar year taxable gross receipts of

at least five hundred thousand dollars;

(4) Has at any time during the calendar year within this state at least twenty-five per cent of the person's total property, total payroll, or total gross receipts;

(5) Is domiciled in this state as an individual or for corporate, commercial, or other business purposes.

(J) "Tangible personal property" has the same meaning as in section 5739.01 of the Revised Code.

(K) "Internal Revenue Code" means the Internal Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term used in this chapter that is not otherwise defined has the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes unless a different meaning is clearly required. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States relating to federal income taxes.

(L) "Calendar quarter" means a three-month period ending on the thirty-first day of March, the thirtieth day of June, the thirtieth day of September, or the thirty-first day of December.

(M) "Tax period" means the calendar quarter on the basis of which a taxpayer is required to pay the tax imposed under this chapter.

(N) "Agent" means a person authorized by another person to act on its behalf to undertake a transaction for the other, including any of the following:

(1) A person receiving a fee to sell financial instruments;

(2) A person retaining only a commission from a

transaction with the other proceeds from the transaction being remitted to another person;

(3) A person issuing licenses and permits under section 1533.13 of the Revised Code;

(4) A lottery sales agent holding a valid license issued under section 3770.05 of the Revised Code;

(5) A person acting as an agent of the division of liquor control under section 4301.17 of the Revised Code.

(O) "Received" includes amounts accrued under the accrual method of accounting.

(P) "Reporting person" means a person in a consolidated elected taxpayer or combined taxpayer group that is designated by that group to legally bind the group for all filings and tax liabilities and to receive all legal notices with respect to matters under this chapter, or, for the purposes of section 5751.04 of the Revised Code, a separate taxpayer that is not a member of such a group.

(Q) "Megaproject," "megaproject operator," and "megaproject supplier" have the same meanings as in section 122.17 of the Revised Code.

(R) "Exclusion amount" means three million dollars beginning in 2024 and six million dollars beginning in 2025.

Sec. 5753.01. As used in Chapter 5753. of the Revised Code and for no other purpose under Title LVII of the Revised Code:

(A) "Casino facility" has the same meaning as in section 3772.01 of the Revised Code.

(B) "Casino gaming" has the same meaning as in section

3772.01 of the Revised Code.

(C) "Casino operator" has the same meaning as in section 3772.01 of the Revised Code.

(D) "Gross casino revenue" means the total amount of money exchanged for the purchase of chips, tokens, tickets, electronic cards, or similar objects by casino patrons, less winnings paid to wagerers. "Gross casino revenue" does not include either of the following:

(1) The issuance to casino patrons or wagering by casino patrons of any promotional gaming credit as defined in section 3772.01 of the Revised Code. When issuance of the promotional gaming credit requires money exchanged as a match from the patron, the excludible portion of the promotional gaming credit does not include the portion of the wager purchased by the patron.

(2) Sports gaming receipts or internet gambling receipts.

(E) "Person" has the same meaning as in section 3772.01 of the Revised Code.

(F) "Slot machine" has the same meaning as in section 3772.01 of the Revised Code.

(G) "Sports gaming facility" and "sports gaming proprietor" have the same meanings as in section 3775.01 of the Revised Code.

(H) "Sports gaming receipts" means the total gross receipts received by a sports gaming proprietor from the operation of sports gaming in this state, including any promotional gaming credit, as defined in section 3775.01 of the Revised Code, less the total of the following:

(1) All cash and cash equivalents paid as winnings to sports gaming patrons;

(2) The dollar amount of all voided wagers.

(3) Receipts received from the operation of lottery sports gaming on behalf of the state under sections ~~3770.23 to~~ 3770.24 and 3770.25 of the Revised Code.

~~(4)(a) On and after January 1, 2027, but before January 1, 2032, ten per cent of the promotional gaming credits wagered by patrons;~~

~~(b) On and after January 1, 2032, twenty per cent of the promotional gaming credits wagered by patrons.~~

~~As used in division (H) of this section, "promotional gaming credit" has the same meaning as in section 3775.01 of the Revised Code. When issuance of a promotional gaming credit requires money exchanged as a match from the patron, the deductible portion of the promotional gaming credit does not include the portion of the wager purchased by the patron.~~

(I) "Table game" has the same meaning as in section 3772.01 of the Revised Code.

(J) "Taxpayer" means a casino operator subject to the tax levied under section 5753.02 of the Revised Code ~~or~~, a sports gaming proprietor subject to the tax levied under section 5753.021 of the Revised Code, or an internet gambling operator subject to the tax levied under section 5753.022 of the Revised Code.

(K) "Tax period" means one twenty-four-hour period with regard to which a casino operator is required to pay the tax levied by section 5753.02 of the Revised Code and one calendar

month with regard to which a sports gaming proprietor is required to pay the tax levied by section 5753.021 of the Revised Code or an internet gambling operator is required to pay the tax levied by section 5753.022 of the Revised Code.

(L) "Gross internet gambling revenue" means the total gross receipts received by an internet gambling operator from the operation of internet gambling in this state, including any promotional gaming credit, as defined in section 3771.01 of the Revised Code, less winnings paid to wagerers.

(M) "Internet gambling," "internet gambling operator," and "internet gambling management company" have the same meanings as in section 3771.01 of the Revised Code.

Sec. 5753.021. (A) For the purposes of funding the education needs of this state, funding efforts to alleviate problem sports gaming, and defraying the costs of enforcing and administering the law governing sports gaming and the tax levied by this section, a tax is hereby levied on the sports gaming receipts of a sports gaming proprietor at the ~~rate of twenty~~ following applicable rate:

(1) Ten per cent of the sports gaming receipts received by a proprietor from the operation of a sports gaming facility;

(2) Twenty per cent of ~~the~~ any other sports gaming receipts received by ~~the~~ a proprietor from the operation of sports gaming in this state.

(B) The tax imposed under this section is in addition to any other taxes or fees imposed under the Revised Code.

Sec. 5753.022. (A) For the purpose of funding the needs of this state, funding efforts to alleviate problem internet gambling, and defraying the costs of administering the tax

levied by this section, a tax is hereby levied on the internet gambling receipts of an internet gambling operator or internet gambling management company at the following applicable rate:

(1) Except as otherwise provided in division (A)(2) of this section, thirty-six per cent of the internet gambling receipts received by the operator or management company from the operation of internet gambling in this state;

(2) If the internet gambling operator contracts with an internet gambling management company under section 3771.05 of the Revised Code and the same person does not own or control at least fifty per cent of both the internet gambling operator and the internet gambling management company, forty per cent of the internet gambling receipts received by the operator and the management company from the operation of internet gambling in this state.

(B) The tax imposed under this section is in addition to any other taxes or fees imposed under the Revised Code.

Sec. 5753.03. (A) For the purpose of receiving and distributing, and accounting for, revenue received from the tax levied by section 5753.02 of the Revised Code, the following funds are created in the state treasury:

(1) The casino tax revenue fund;

(2) The gross casino revenue county fund;

(3) The gross casino revenue county student fund;

(4) The gross casino revenue host city fund;

(5) The Ohio state racing commission fund;

(6) The Ohio law enforcement training fund;

(7) The problem casino gambling and addictions fund;

(8) The casino control commission fund;

(9) The casino tax administration fund;

(10) The peace officer training academy fund;

(11) The criminal justice services casino tax revenue fund.

(B) All moneys collected from the tax levied under section 5753.02 of the Revised Code shall be deposited into the casino tax revenue fund.

(C) From the casino tax revenue fund the director of budget and management shall transfer as needed to the tax refund fund amounts equal to the refunds certified by the tax commissioner under section 5753.06 of the Revised Code and attributable to the tax levied under section 5753.02 of the Revised Code.

(D) After making any transfers required by division (C) of this section, but not later than the fifteenth day of the month following the end of each calendar quarter, the director of budget and management shall transfer amounts to each fund as follows:

(1) Fifty-one per cent to the gross casino revenue county fund to make payments as required by Section 6(C)(3)(a) of Article XV, Ohio Constitution;

(2) Thirty-four per cent to the gross casino revenue county student fund to make payments as required by Section 6(C)(3)(b) of Article XV, Ohio Constitution and as provided in section 5753.11 of the Revised Code;

(3) Five per cent to the gross casino revenue host city fund for the benefit of the cities in which casino facilities are located;

(4) Three per cent to the Ohio state racing commission fund to support the efforts and activities of the Ohio ~~state racing~~ casino control commission to promote horse racing in this state at which the pari-mutuel system of wagering is conducted;

(5) Two per cent to the Ohio law enforcement training fund to support law enforcement functions in the state;

(6) Two per cent to the problem casino gambling and addictions fund to support efforts of the department of mental health and addiction services to alleviate problem gambling and substance abuse and related research in the state under section 5119.47 of the Revised Code;

(7) Three per cent to the casino control commission fund to support the operations of the Ohio casino control commission and to defray the cost of administering the tax levied under section 5753.02 of the Revised Code.

Payments under divisions (D)(1) and (3) of this section shall be made by the end of the month following the end of the quarterly period. The tax commissioner shall make the data available to the director of budget and management for this purpose.

Money in the Ohio state racing commission fund shall be distributed at the discretion of the Ohio ~~state racing~~ casino control commission for the purpose stated in division (D)(4) of this section by the end of the month following the end of the quarterly period. The commission may retain up to ten per cent of the amount transferred to the fund under division (D)(4) of

this section for operating expenses necessary for the administration of the fund.

Payments from the gross casino revenue county student fund as required under section 5753.11 of the Revised Code shall be made by the last day of January and by the last day of August of each year, beginning in 2013. The tax commissioner shall make the data available to the director of budget and management for this purpose.

Of the money credited to the Ohio law enforcement training fund, the director of budget and management shall distribute eighty-five per cent of the money to the police officer training academy fund for the purpose of supporting the law enforcement training efforts of the Ohio peace officer training academy and fifteen per cent of the money to the criminal justice services casino tax revenue fund for the purpose of supporting the law enforcement training efforts of the division of criminal justice services.

(E)(1) The tax commissioner shall serve as an agent of the counties of this state only for the purposes of this division and solely to make payments directly to municipal corporations and school districts, as applicable, on the counties' behalf.

(2) On or before the last day of the month following the end of each calendar quarter, the tax commissioner shall provide for payment from the funds referenced in divisions (D)(1) and (3) of this section to each county and municipal corporation as prescribed in those divisions.

(3) On or before the last day of January and the last day of August each year, the commissioner shall provide for payments from the fund referenced in division (D)(2) of this section to

each school district as prescribed in that division.

(F) The director of budget and management shall transfer one per cent of the money credited to the casino control commission fund to the casino tax administration fund. The tax commissioner shall use the casino tax administration fund to defray the costs incurred in administering the tax levied under section 5753.02 of the Revised Code.

(G) All investment earnings of the gross casino revenue county student fund shall be credited to the fund.

Sec. 5753.031. (A) For the purpose of receiving and distributing, and accounting for, revenue received from the tax levied by section 5753.021 of the Revised Code and from fines imposed under Chapter 3775. of the Revised Code, the following funds are created in the state treasury:

(1) The sports gaming revenue fund;

(2) The sports gaming tax administration fund, which the tax commissioner shall use to defray the costs incurred in administering the tax levied by section 5753.021 of the Revised Code;

(3) The sports gaming profits education fund, which shall be used for the support of public and nonpublic education for students in grades kindergarten through twelve as determined in appropriations made by the general assembly.

(4) The problem ~~sports gaming~~ gambling fund.

(B)(1) All of the following shall be deposited into the sports gaming revenue fund:

(a) All money collected from the tax levied under section 5753.021 of the Revised Code;

(b) The remainder of the fees described in division (G)(2) of section 3775.02 of the Revised Code, after the Ohio casino control commission deposits the required amount in the sports gaming profits veterans fund under that division;

(c) Unclaimed winnings collected under division ~~(F)~~ (E) of section 3775.10 of the Revised Code;

(d) Any fines collected under Chapter 3775. of the Revised Code.

(2) All other fees collected under Chapter 3775. of the Revised Code shall be deposited into the casino control commission fund created under section 5753.03 of the Revised Code.

(C)(1) From the sports gaming revenue fund, the director of budget and management shall transfer as needed to the tax refund fund amounts equal to the refunds certified by the tax commissioner under section 5753.06 of the Revised Code and attributable to the tax levied under section 5753.021 of the Revised Code.

(2) Not later than the fifteenth day of each month, the director of budget and management shall transfer from the sports gaming revenue fund to the sports gaming tax administration fund the amount necessary to reimburse the department of taxation's actual expenses incurred in administering the tax levied under section 5753.021 of the Revised Code.

(3) Of the amount in the sports gaming revenue fund remaining after making the transfers required by divisions (C)(1) and (2) of this section, the director of budget and management shall transfer, on or before the fifteenth day of the month following the end of each calendar quarter, amounts to

each fund as follows:

(a) Ninety-eight per cent to the sports gaming profits education fund;

(b) Two per cent to the problem ~~sports gaming~~ gambling fund.

(D) All interest generated by the funds created under this section shall be credited back to them.

Sec. 5753.032. (A) For the purpose of receiving and distributing, and accounting for, revenue received from the tax levied by section 5753.022 of the Revised Code, the following funds are created in the state treasury:

(1) The internet gambling revenue fund;

(2) The internet gambling tax administration fund, which the tax commissioner shall use to defray the costs incurred in administering the tax levied by section 5753.022 of the Revised Code.

(B) All money collected from the tax levied under section 5753.022 of the Revised Code shall be deposited in the internet gambling revenue fund.

(C)(1) From the internet gambling revenue fund, the director of budget and management shall transfer as needed to the tax refund fund amounts equal to the refunds certified by the tax commissioner under section 5753.06 of the Revised Code and attributable to the tax levied under section 5753.022 of the Revised Code.

(2) Not later than the fifteenth day of each month, the director of budget and management shall transfer from the internet gambling revenue fund to the internet gambling tax

administration fund the amount necessary to reimburse the department of taxation's actual expenses incurred in administering the tax levied under section 5753.022 of the Revised Code.

(3) Of the amount in the internet gambling revenue fund remaining after making the transfers required by divisions (C)(1) and (2) of this section, the director of budget and management shall transfer, on or before the fifteenth day of the month following the end of each calendar quarter, amounts to each fund as follows:

(a) Ninety-nine per cent to the general revenue fund;

(b) One per cent to the problem gambling fund created under section 5753.031 of the Revised Code.

Section 2. That existing sections 109.32, 109.572, 119.12, 121.95, 131.02, 173.121, 718.031, 959.05, 1309.109, 1711.09, 1716.21, 2915.01, 2915.02, 2915.06, 2915.061, 2915.07, 2915.08, 2915.081, 2915.082, 2915.09, 2915.091, 2915.092, 2915.093, 2915.094, 2915.095, 2915.10, 2915.101, 2915.11, 2915.12, 2915.13, 2915.14, 2915.15, 2923.121, 2927.21, 2933.51, 3123.89, 3123.90, 3517.091, 3763.01, 3769.01, 3769.03, 3769.031, 3769.04, 3769.041, 3769.05, 3769.06, 3769.07, 3769.071, 3769.072, 3769.08, 3769.082, 3769.083, 3769.084, 3769.085, 3769.087, 3769.089, 3769.0810, 3769.09, 3769.091, 3769.10, 3769.101, 3769.12, 3769.13, 3769.131, 3769.14, 3769.20, 3769.201, 3769.21, 3769.22, 3769.25, 3769.26, 3769.27, 3770.01, 3770.02, 3770.03, 3770.05, 3770.06, 3770.07, 3770.071, 3770.072, 3770.073, 3770.08, 3770.10, 3770.13, 3770.21, 3770.24, 3770.25, 3770.99, 3772.01, 3772.02, 3772.03, 3772.031, 3772.04, 3772.062, 3772.07, 3772.09, 3772.091, 3772.10, 3772.13, 3772.131, 3772.15, 3772.16, 3772.17, 3772.18, 3772.23, 3772.31, 3772.37, 3772.99, 3774.01,

3774.02, 3774.03, 3774.04, 3774.09, 3775.01, 3775.02, 3775.03, 3775.06, 3775.09, 3775.10, 3775.11, 3775.13, 3775.99, 4301.03, 4301.58, 4303.17, 5701.11, 5747.01, 5747.02, 5747.062, 5747.063, 5747.08, 5747.12, 5747.20, 5751.01, 5753.01, 5753.021, 5753.03, 5753.031, and 5907.18 of the Revised Code are hereby repealed.

Section 3. That sections 3769.02, 3769.021, 3770.23, 3772.25, 3775.16, and 5747.064 of the Revised Code are hereby repealed.

Section 4. (A)(1) Notwithstanding any contrary provision of this act, during the period beginning on the effective date of this section and ending on December 31, 2026, all of the following apply:

(a) The Attorney General, and not the Ohio Casino Control Commission, has the authority to regulate bingo and games of chance conducted by charitable organizations and to regulate sweepstakes terminal devices, in accordance with the provisions of Chapters 2915., 3768., and 3777. of the Revised Code, as amended and enacted by this act.

(b) The Attorney General has the sole authority to issue, deny, suspend, or revoke licenses under those chapters and to adopt, amend, or rescind rules under Chapter 119. of the Revised Code with respect to those matters.

(c) All fees received under Chapters 3768. and 3777. of the Revised Code, as enacted by this act, shall be deposited in the state treasury to the credit of the charitable law fund established under section 109.32 of the Revised Code.

(2) As soon as practicable after the effective date of this section, the Attorney General, in cooperation with the Ohio Casino Control Commission, shall issue guidance to persons who

currently hold licenses issued under Chapter 2915. of the Revised Code, as it existed immediately before the effective date of this section, explaining the transition of authority required by this act.

(3) On January 1, 2027, the authority to regulate bingo and games of chance conducted by charitable organizations and to regulate sweepstakes terminal devices is transferred from the Attorney General to the Ohio Casino Control Commission. All records of the Attorney General with respect to the regulation of those matters shall be transferred to the Commission. The Commission is successor to, and assumes the obligations of, the Attorney General with respect to the regulation of those matters.

(B) Any valid license, endorsement, registration, or certificate issued by the Attorney General under Chapter 2915. of the Revised Code before January 1, 2027, remains valid according to the terms of the license, endorsement, registration, or certificate and is considered to be a license, endorsement, registration, or certificate issued by the Ohio Casino Control Commission under Chapter 3768. or 3777. of the Revised Code, as applicable.

(C)(1) All rules of the Attorney General with respect to bingo and games of chance conducted by charitable organizations and with respect to sweepstakes terminal devices that are in effect immediately before January 1, 2027, and that are not in conflict with the requirements of this act, continue in effect until rescinded or amended by the Commission. The Director of the Legislative Service Commission shall renumber rules adopted under Chapter 2915. of the Revised Code to reflect the transfer of authority to Chapters 3768. and 3777. of the Revised Code, as

amended by this act.

(2) Any rules that are pending before the Common Sense Initiative Office or the Joint Committee on Agency Rule Review on January 1, 2027, that were proposed by the Attorney General under Chapter 2915. of the Revised Code, as that chapter existed immediately before the effective date of this section, shall be treated as having been proposed by the Ohio Casino Control Commission under Chapter 3768. or 3777. of the Revised Code, as applicable.

(D) Any business commenced, but not completed, by the Attorney General on January 1, 2027, with respect to the regulation of bingo and games of chance conducted by charitable organizations or the regulation of sweepstakes terminal devices shall be completed by the Commission in the same manner, and with the same effect, as if completed by the Attorney General. No validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the transfer required by this section.

(E) On and after January 1, 2027, wherever the Attorney General is referred to in any law, contract, or other document with respect to the regulation of bingo and games of chance conducted by charitable organizations or with respect to sweepstakes terminal devices, the reference shall be deemed to refer to the Commission.

(F) No action or proceeding pending on January 1, 2027, is affected by the transfer, and any such action or proceeding with respect to the regulation of bingo and games of chance conducted by charitable organizations or with respect to sweepstakes terminal devices shall be prosecuted or defended in the name of the Commission. In all such actions and proceedings, the

Commission, on application to the court, shall be substituted as a party.

Section 5. (A)(1) Notwithstanding any contrary provision of this act, during the period beginning on the effective date of this section and ending on March 30, 2026, all of the following apply:

(a) The State Racing Commission continues to exist in accordance with the versions of sections 3769.02 and 3769.021 of the Revised Code that were in effect immediately before the effective date of this section.

(b) The State Racing Commission, and not the Ohio Casino Control Commission, has the authority to regulate horse racing and pari-mutuel wagering on horse racing, in accordance with the provisions of Chapters 3769. and 3772. of the Revised Code, as amended by this act.

(c) The State Racing Commission has the sole authority to issue, deny, suspend, or revoke permits and licenses under Chapter 3769. of the Revised Code, as amended by this act.

(d) The Ohio Casino Control Commission may adopt, amend, or rescind rules under Chapter 119. of the Revised Code with respect to horse racing and pari-mutuel wagering on horse racing. The State Racing Commission may adopt, amend, or rescind rules under Chapter 119. of the Revised Code that are not in conflict with the rules of the Ohio Casino Control Commission.

(e) All fees received under Chapter 3769. of the Revised Code, as amended by this act, shall be deposited in the state treasury to the credit of the State Racing Commission Operating Fund (Fund 5650).

(2) The State Racing Commission shall take all necessary

actions to allow permit holders to begin accepting pari-mutuel wagers on horse racing over the internet, in accordance with Chapters 3769. and 3772. of the Revised Code, as amended by this act, as soon as practicable after the effective date of this section.

(3) As soon as practicable after the effective date of this section, the State Racing Commission, in cooperation with the Ohio Casino Control Commission, shall issue guidance to persons who currently hold permits and licenses issued under Chapter 3769. of the Revised Code, as it existed immediately before the effective date of this section, explaining the transition of authority required by this act and the other requirements of this act that apply to those permit holders and licensees.

(4) On March 31, 2026, the State Racing Commission is abolished. All records of the State Racing Commission shall be transferred to the Ohio Casino Control Commission, and all of its other assets and liabilities shall be transferred to the Ohio Casino Control Commission. The Ohio Casino Control Commission is successor to, and assumes the obligations of, the State Racing Commission.

(B) Subject to Section 8 of this act, any valid permit or license issued by the State Racing Commission before March 31, 2026, remains valid according to the terms of the permit or license and is considered to be a permit or license issued by the Ohio Casino Control Commission.

(C)(1) All rules of the State Racing Commission that are in effect immediately before March 31, 2026, continue in effect until rescinded or amended by the Ohio Casino Control Commission.

(2) Any rules that are pending before the Common Sense Initiative Office or the Joint Committee on Agency Rule Review on March 31, 2026, that were proposed by the State Racing Commission shall be treated as having been proposed by the Ohio Casino Control Commission.

(D) Any business commenced, but not completed by the State Racing Commission or the Director of that agency on March 31, 2026, shall be completed by the Executive Director of the Ohio Casino Control Commission in the same manner, and with the same effect, as if completed by the State Racing Commission or by the Director of that agency. No validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the transfer required by this section.

(E) Subject to the lay-off provisions of sections 124.321 to 124.328 of the Revised Code, all of the State Racing Commission's employees are transferred to the Ohio Casino Control Commission on March 31, 2026, and retain their positions and all of the benefits accruing thereto.

(F) On March 31, 2026, or as soon as possible thereafter, the Director of Budget and Management shall transfer the cash balance of the State Racing Commission Operating Fund (Fund 5650) to the Casino Control Commission Fund (Fund 5HS0). Upon completion of the transfer, Fund 5650 is abolished. The Director shall cancel any existing encumbrances against appropriation item 875604, Racing Commission Operating, and reestablish them against appropriation item 955321, Operating Expenses. The reestablished encumbrance amounts are hereby appropriated.

(G)(1) On and after March 31, 2026, wherever the Director or the State Racing Commission is referred to in any law, contract, or other document, the reference shall be deemed to

refer to the Executive Director or the Ohio Casino Control Commission, whichever is appropriate.

(2) On or after March 31, 2026, the trustees of the Thoroughbred Horsemen's Health Fund and the trustees of Harness Horsemen's Health and Retirement, Inc., respectively, shall amend the articles of incorporation and bylaws of those corporations to change any reference in those documents to the State Racing Commission to refer instead to the Ohio Casino Control Commission.

(H) No action or proceeding pending on March 31, 2026, is affected by the transfer, and any such action or proceeding shall be prosecuted or defended in the name of the Executive Director or the Ohio Casino Control Commission. In all such actions and proceedings, the Executive Director or the Ohio Casino Control Commission, on application to the court, shall be substituted as a party.

Section 6. (A)(1) Notwithstanding any contrary provision of this act, during the period beginning on the effective date of this section and ending on March 30, 2026, all of the following apply:

(a) The State Lottery Commission, and not the Ohio Casino Control Commission, has the authority to license and regulate video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and to regulate the operation of video lottery terminals, in accordance with the provisions of Chapters 3770. and 3772. of the Revised Code, as amended by this act.

(b) The State Lottery Commission has the sole authority to issue, deny, suspend, or revoke video lottery sales agent, video

lottery sales agent employee, and video lottery technology provider licenses.

(c) The Ohio Casino Control Commission may adopt, amend, or rescind rules under Chapter 119. of the Revised Code with respect to the regulation of video lottery sales agents, video lottery sales agent employees, video lottery technology providers, and the operation of video lottery terminals. The State Lottery Commission may adopt, amend, or rescind rules under Chapter 119. of the Revised Code that are not in conflict with the rules of the Ohio Casino Control Commission.

(d) All fees received under Chapter 3770. of the Revised Code, as amended by this act, shall be deposited in the state treasury to the credit of the State Lottery Gross Revenue Fund established under section 3770.06 of the Revised Code.

(2) As soon as practicable after the effective date of this section, the State Lottery Commission, in cooperation with the Ohio Casino Control Commission, shall issue guidance to video lottery sales agents, video lottery sales agent employees, and video lottery technology providers, explaining the transition of authority required by this act and the other requirements of this act that apply to those persons.

(3) On March 31, 2026, the authority to license and regulate video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and to regulate the operation of video lottery terminals is transferred from the State Lottery Commission to the Ohio Casino Control Commission. The State Lottery Commission retains the authority to conduct video lottery terminal games in accordance with the provisions of Chapter 3770. of the Revised Code, as amended by this act. All records of the State Lottery Commission with

respect to the licensing and regulation of video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and the regulation of the operation of video lottery terminals shall be transferred to the Commission, except as otherwise necessary to facilitate the conduct of video lottery terminal games by the State Lottery Commission. The Ohio Casino Control Commission is successor to, and assumes the obligations of, the State Lottery Commission with respect to the licensing and regulation of video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and the operation of video lottery terminals.

(B) Subject to Section 8 of this act, any valid video lottery sales agent, video lottery sales agent employee, or video lottery technology provider license issued by the State Lottery Commission before March 31, 2026, remains valid according to the terms of the license and is considered to be a license issued by the Ohio Casino Control Commission.

(C)(1) All rules of the State Lottery Commission with respect to the licensing and regulation of video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and the operation of video lottery terminals, other than rules with respect to the conduct of video lottery terminal games, that are in effect immediately before March 31, 2026, continue in effect until rescinded or amended by the Ohio Casino Control Commission.

(2) Any rules that are pending before the Common Sense Initiative Office or the Joint Committee on Agency Rule Review on March 31, 2026, that were proposed by the State Lottery Commission under Chapter 3770. of the Revised Code, as that chapter existed immediately before the effective date of this

section, with respect to the licensing and regulation of video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and the operation of video lottery terminals, other than rules with respect to the conduct of video lottery terminal games, shall be treated as having been proposed by the Ohio Casino Control Commission.

(D) Any business commenced, but not completed, by the State Lottery Commission on March 31, 2026, with respect to the licensing and regulation of video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and the operation of video lottery terminals, other than with respect to the conduct of video lottery terminal games, shall be completed by the Ohio Casino Control Commission in the same manner, and with the same effect, as if completed by the State Lottery Commission. No validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the transfer required by this section.

(E) On and after March 31, 2026, wherever the State Lottery Commission is referred to in any law, contract, or other document with respect to the licensing and regulation of video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and the operation of video lottery terminals, other than with respect to the conduct of video lottery terminal games, the reference shall be deemed to refer to the Ohio Casino Control Commission.

(F) No action or proceeding pending on March 31, 2026, is affected by the transfer, and any such action or proceeding with respect to the licensing and regulation of video lottery sales agents, video lottery sales agent employees, and video lottery technology providers and the operation of video lottery

terminals, other than with respect to the conduct of video lottery terminal games, shall be prosecuted or defended in the name of the Ohio Casino Control Commission. In all such actions and proceedings, the Ohio Casino Control Commission, on application to the court, shall be substituted as a party.

Section 7. (A) Notwithstanding any provision of law to the contrary, on or after the effective date of this section, the Director of Budget and Management shall make budget and accounting changes to implement the transfer of duties, functions, and programs to the Ohio Casino Control Commission as described in this act, including administrative organization, program transfers, renaming of funds, creation of new funds, transfer of state funds, and consolidation of funds.

(B) The Director may, if necessary, cancel or establish encumbrances or parts of encumbrances in fiscal years 2026 and 2027 in the appropriate funds and appropriation items for the same purposes and for payment to the same vendor. Such encumbrances are hereby appropriated. If necessary for the continued efficient administration of gambling regulation as provided in this act, the Director of Budget and Management may transfer appropriations between the Ohio Casino Control Commission, the Attorney General, the State Racing Commission, and the State Lottery Commission to continue levels of program services and efficiently deliver state funding to those programs.

Section 8. (A) Notwithstanding any contrary provision of this act, an individual who holds any of the following licenses as of the effective date of this section is considered to hold a key gaming employee license under section 3772.13 of the Revised Code or a gaming employee license under section 3772.131 of the

Revised Code, as applicable, until the original license expires:

(1) A totalizator company management supervisory employee, totalizator company employee, or mutuel employee license issued by the State Racing Commission under Chapter 3769. of the Revised Code;

(2) A video lottery sales agent employee license issued by the State Lottery Commission under Chapter 3770:2 of the Ohio Administrative Code;

(3) A key employee license or casino employee license issued by the Ohio Casino Control Commission under Chapter 3772. of the Revised Code;

(4) A sports gaming occupational license issued by the Ohio Casino Control Commission under Chapter 3775. of the Revised Code.

(B) The term of any license described in division (A) of this section that expired not more than ninety days before the effective date of this section, or that would have expired within one hundred eighty days after the effective date of this section, is extended by one hundred eighty days.

(C) If, as of the effective date of this section, an individual holds two or more licenses described in division (A) of this section, the existing term of each license is extended through the latest expiration date of any such license the individual holds, as extended under division (B) of this section if applicable.

(D) After a license described in division (A) of this section expires, the licensee is required to hold a single key gaming employee license issued under section 3772.13 of the Revised Code or a single gaming employee license issued under

section 3772.131 of the Revised Code, as applicable, in order to perform the licensee's duties.

(E) The Ohio Casino Control Commission, in cooperation with the State Racing Commission and the State Lottery Commission, shall issue guidance to licensees to facilitate the operation of this section.

Section 9. (A) The Executive Director of the Ohio Casino Control Commission shall designate a launch date for internet gambling that is as soon as practicable after the effective date of this section and not later than March 31, 2026. No person shall offer internet gambling in this state before the launch date.

(B)(1) The Executive Director of the Ohio Casino Control Commission shall set a series of deadlines by which a person must apply for an internet gambling license under Chapter 3771. of the Revised Code, as enacted by this act, and meet all other requirements for the license, in order to begin operating under the license on the launch date.

(2) If a person applies for an internet gambling license after the application deadline, the Commission is not required to review the application in time to issue the person a license before the launch date. If a person applies for an internet gambling license on or before the application deadline, but fails to meet any other requirement for the license by the applicable deadline to do so, the Commission is not required to issue the person a license before the launch date.

(C) During the period beginning on the effective date of this section and ending on October 1, 2027, all of the following apply:

(1) At the request of an applicant for an internet gambling license under Chapter 3771. of the Revised Code, as enacted by this act, the Executive Director of the Ohio Casino Control Commission may issue a provisional internet gambling license of the applicable type to the applicant, so long as the applicant has submitted a completed application for the license, including paying the required application fee. The Commission may prescribe by rule the requirements to receive a provisional internet gambling license, including additional application and license fees.

(2) In evaluating a request for a provisional internet gambling license, the Executive Director may consider the applicant's apparent eligibility for an internet gambling license under Chapter 3771. of the Revised Code, as enacted by this act, including whether the applicant has previously undergone a suitability investigation similar to the investigation the applicant must undergo to receive the internet gambling license.

(3) The Executive Director shall determine the period for which a provisional internet gambling license is valid, provided that the period shall not exceed three months. The Executive Director may renew a provisional internet gambling license for one additional period not to exceed three months.

Section 10. (A) The amendment and enactment by this act of sections 718.031, 3123.89, 3123.90, 3770.071, 3770.072, 3770.073, 3772.37, and 5747.063 of the Revised Code applies to amounts deducted and withheld from winnings from pari-mutuel wagering on horse racing, video lottery terminal gaming, casino gaming, and sports gaming on and after March 31, 2026.

(B) The amendment by this act of section 5753.021 of the

Revised Code applies to sports gaming receipts received on and after the first day of January after the effective date of this section.

Section 11. Notwithstanding any contrary provision of division (F) of section 3772.02 of the Revised Code, as amended by this act, the change in compensation required by this act under that division first applies to a member of the Ohio Casino Control Commission when the member begins a new term as a member of the Commission on or after the effective date of this section.

Section 12. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the following sections, presented in this act as composites of the sections as amended by the acts indicated, are the resulting versions of the sections in effect prior to the effective date of the sections as presented in this act:

Section 119.12 of the Revised Code as amended by both H.B. 33 and S.B. 21 of the 135th General Assembly.

Section 3772.03 of the Revised Code as amended by H.B. 29 of the 134th General Assembly and both H.B. 49 and H.B. 132 of the 132nd General Assembly.

Section 3772.99 of the Revised Code as amended by both H.B. 32 and H.B. 49 of the 132nd General Assembly.

Section 5747.01 of the Revised Code as amended by both H.B. 101 and S.B. 154 of the 135th General Assembly.