### As Introduced

# 132nd General Assembly Regular Session 2017-2018

H. B. No. 198

# **Representative Koehler**

Cosponsors: Representatives Becker, Thompson, Stein, Hambley, Sheehy, Sweeney, Duffey, Dean, Hill, Riedel, Smith, R.

# A BILL

То	amend sections 3770.03 and 3770.08 of the	1
	Revised Code to prohibit a lottery sales agent	2
	from accepting a credit card for the purchase of	3
	a lottery ticket.	4

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

Section 1. That sections 3770.03 and 3770.08 of the	5
Revised Code be amended to read as follows:	6
Sec. 3770.03. (A) The state lottery commission shall	7
promulgate rules under which a statewide lottery may be	8
conducted, which includes, and since the original enactment of	9
this section has included, the authority for the commission to	10
operate video lottery terminal games. Any reference in this	11
chapter to tickets shall not be construed to in any way limit	12
the authority of the commission to operate video lottery	13
terminal games. Nothing in this chapter shall restrict the	14
authority of the commission to promulgate rules related to the	15
operation of games utilizing video lottery terminals as	16
described in section 3770.21 of the Revised Code. The rules	17
shall be promulgated pursuant to Chapter 119. of the Revised	18

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Code, except that instant game rules shall be promulgated	19
pursuant to section 111.15 of the Revised Code but are not	20
subject to division (D) of that section. Subjects covered in	21
these rules shall include, but need not be limited to, the	22
following:	23
(1) The type of lottery to be conducted;	24
(2) The prices of tickets in the lottery;	25
(3) The number, nature, and value of prize awards, the	26
manner and frequency of prize drawings, and the manner in which	27
prizes shall be awarded to holders of winning tickets.	28
(B) The commission shall promulgate rules, in addition to	29
those described in division (A) of this section, pursuant to	30
Chapter 119. of the Revised Code under which a statewide lottery	31
and statewide joint lottery games may be conducted. Subjects	32
covered in these rules shall include, but not be limited to, the	33
following:	34
(1) The locations at which lottery tickets may be sold and	35
the manner in which they are to be sold. These rules may	36
authorize the sale of lottery tickets by commission personnel or	37
other licensed individuals from traveling show wagons at the	38
state fair, and at any other expositions the director of the	39
commission considers acceptable. These rules shall prohibit	40
commission personnel or other licensed individuals from	41
soliciting from an exposition the right to sell lottery tickets	42
at that exposition, but shall allow commission personnel or	43
other licensed individuals to sell lottery tickets at an	44
exposition if the exposition requests commission personnel or	45
licensed individuals to do so. These rules may also address the	46
accessibility of sales agent locations to commission products in	47

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accordance with the "Americans with Disabilities Act of 1990,"	48
104 Stat. 327, 42 U.S.C.A. 12101 et seq. <u>These rules may not</u>	49
permit a lottery sales agent to accept a credit card for the	50
purchase of a lottery ticket, except for a video lottery	51
terminal as provided in rule 3770:2-7-01 of the Administrative	
Code.	53
(2) The manner in which lottery sales revenues are to be	54
collected, including authorization for the director to impose	55
penalties for failure by lottery sales agents to transfer	56
revenues to the commission in a timely manner;	57
(3) The amount of compensation to be paid licensed lottery	58
sales agents;	59
(4) The substantive criteria for the licensing of lottery	60
sales agents consistent with section 3770.05 of the Revised	61
Code, and procedures for revoking or suspending their licenses	62
consistent with Chapter 119. of the Revised Code. If	63
circumstances, such as the nonpayment of funds owed by a lottery	64
sales agent, or other circumstances related to the public	65
safety, convenience, or trust, require immediate action, the	66
director may suspend a license without affording an opportunity	67
for a prior hearing under section 119.07 of the Revised Code.	68
(5) Special game rules to implement any agreements signed	69
by the governor that the director enters into with other lottery	70
jurisdictions under division (J) of section 3770.02 of the	71
Revised Code to conduct statewide joint lottery games. The rules	72
shall require that the entire net proceeds of those games that	73
remain, after associated operating expenses, prize	74
disbursements, lottery sales agent bonuses, commissions, and	75
reimbursements, and any other expenses necessary to comply with	76
the agreements or the rules are deducted from the gross proceeds	77

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of those games, be transferred to the lottery profits education	78
fund under division (B) of section 3770.06 of the Revised Code.	
(6) Any other subjects the commission determines are	80
necessary for the operation of video lottery terminal games,	81
including the establishment of any fees, fines, or payment	82
schedules.	83
(C) Chapter 2915. of the Revised Code does not apply to,	84
affect, or prohibit lotteries conducted pursuant to this	85
chapter.	86
chapter.	0.0
(D) The commission may promulgate rules, in addition to	87
those described in divisions (A) and (B) of this section, that	88
establish standards governing the display of advertising and	89
celebrity images on lottery tickets and on other items that are	90
used in the conduct of, or to promote, the statewide lottery and	91
statewide joint lottery games. Any revenue derived from the sale	92
of advertising displayed on lottery tickets and on those other	93
items shall be considered, for purposes of section 3770.06 of	94
the Revised Code, to be related proceeds in connection with the	95
statewide lottery or gross proceeds from statewide joint lottery	
games, as applicable.	97
(E)(1) The commission shall meet with the director at	98
least once each month and shall convene other meetings at the	99
request of the chairperson or any five of the members. No action	100
taken by the commission shall be binding unless at least five of	101
the members present vote in favor of the action. A written	102
record shall be made of the proceedings of each meeting and	
shall be transmitted forthwith to the governor, the president of	104
the senate, the senate minority leader, the speaker of the house	105
of representatives, and the house minority leader.	106

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(2) The director shall present to the commission a report	107
each month, showing the total revenues, prize disbursements, and	108
operating expenses of the state lottery for the preceding month.	109
As soon as practicable after the end of each fiscal year, the	110
commission shall prepare and transmit to the governor and the	111
general assembly a report of lottery revenues, prize	
disbursements, and operating expenses for the preceding fiscal	113
year and any recommendations for legislation considered	114
necessary by the commission.	115
Sec. 3770.08. (A) No person shall sell a lottery ticket at	116
a price greater than that fixed by rule of the state lottery	117
commission.	118
(B) No person other than a licensed lottery sales agent	119
shall sell lottery tickets, but nothing in this section shall be	120
construed to prevent any person from giving lottery tickets to	121
another as a gift. A transfer of lottery tickets by any person	122
which is made in connection with a marketing, promotional, or	
advertising program shall be deemed to be a gift for the	124
purposes of this chapter.	
(C) No person shall sell a lottery ticket to any person	126
under eighteen years of age, and no person under eighteen years	127
of age shall attempt to purchase a lottery ticket.	128
(D) No person, directly or indirectly, on behalf of self,	129
or another, nor any organization, shall invite, solicit, demand,	130
offer, or accept any payment, contribution, favor, or other	131
consideration to influence the award, renewal, or retention of a	
lottery sales agent license.	133
(E) Except as otherwise provided in this division, no	134

person shall sell lottery tickets on any fairgrounds during any

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annual exhibition conducted in accordance with Chapter 991. or	136
1711. of the Revised Code. "Fairgrounds" includes any land or	137
property under the control or management of any agricultural	138
society or of the Ohio expositions commission. This division	139
does not apply to the sale of lottery tickets by the commission	140
at the state fairground during the state fair.	141
(F) No person shall recklessly accept a credit card for	142
the purchase of a lottery ticket. This prohibition does not	143
apply to a video lottery terminal as provided in rule 3770:2-7-	144
01 of the Administrative Code.	145
Section 2. That existing sections 3770.03 and 3770.08 of	146
the Revised Code are hereby repealed.	147