
CASINO CONTROL COMMISSION

Casino Law license transfers

- States that a casino operator license is transferable, subject to approval by the Ohio Casino Control Commission.
- Specifies that any change in or transfer of control of a casino operator requires the filing of an application for transferring the casino operator license and submission of an application fee.
- Removes a provision that states that a change in or transfer of control to an immediate family member is not considered a significant change.
- In determining whether to approve a transfer, requires the Commission to consider all factors in the Casino Law that pertain to granting a casino operator license.
- Except as described above, specifically prohibits any license issued under the Casino Law from being transferred, and requires a new license for a new majority ownership interest in or a change in or transfer of control of a licensee.
- States that any such ownership interest in or change in or transfer of control requires the filing of a new license application and payment of applicable fees, including an increase in the fees to cover actual review and investigation costs relating to an applicant.
- Requires an application for a new license to be made under oath on forms prescribed by the Commission.
- Requires an applicant for a new license to prove their suitability for licensure by clear and convincing evidence and the Commission to consider all of the factors established in the Casino Law that pertain to the granting of such a license.
- Removes a provision that states that an initial license is not considered transferred, and a new license is not required, when an initial licensee that is licensed before June 1, 2013, meets certain factors.

Casino Control Commission Enforcement Fund

- Creates in the state treasury the Casino Control Commission Enforcement Fund, which must contain all moneys that are derived from any fines, mandatory fines, forfeited bail, or forfeitures to which the Ohio Casino Control Commission is entitled.



- With certain exceptions, states that the moneys in the Fund must be used solely to subsidize the Commission's Division of Enforcement.
- Specifies that moneys in the Fund that are derived from forfeitures of property under federal law must be used and accounted for in accordance with the applicable federal law.
- Amends the Forfeiture Law to include the Commission as a law enforcement agency under that Law.
- Requires the Executive Director of the Commission to file a report verifying moneys in the Fund were used in accordance with relevant law.

Casino Law license transfers

(R.C. 3772.03, 3772.091, and 3772.092)

The bill amends the law related to the transfer of licenses under the Casino Law. Under the bill, a casino operator license issued under the Casino Law is transferable, subject to approval by the Ohio Casino Control Commission. A new majority interest in or change in or transfer of control of a casino operator requires Commission approval. And, before any such transfer may be approved, the applicant must file an application for the transfer with, and submit an application fee to, the Commission.

An application for transferring a casino operator license must be made under oath on forms prescribed by the Commission, and must contain the information required by the Casino Law and rules related to applications for casino operator licenses. In determining whether to approve the transfer, the applicant must prove their suitability for licensure by clear and convincing evidence and the Commission must consider all the factors established in the Casino Law that pertain to the granting of a casino operator license.

The fee to obtain an application for transferring a casino operator license must be the same as is required to obtain an application under the Casino Law, which is \$1,500,000 per application, and which can be increased to the extent that the actual review and investigation costs relating to the applicant exceed that fee. The application fee is nonrefundable and must be deposited into the Casino Control Commission Fund.

Under ongoing law, the Commission can reopen a licensing investigation at any time. The bill removes a provision that states that a change in or transfer of control to an immediate family member is not considered a significant change.



The bill specifies that except as provided above, no license issued under the Casino Law is transferable and a new majority ownership interest in or a change in or transfer of control of a licensee requires a new license. Any such ownership interest in or change in or transfer of control requires the filing of the applicable application for a new license and submission of the applicable application and license fees with the Commission before the new license can be issued.

An application for the applicable new license must be made under oath on forms prescribed by the Commission, and must contain the information required by the Casino Law and rules. The applicable application and license fees must be in the amounts prescribed in current law for the applicable license, and may be increased to the extent that the actual costs relating to review and investigation of the applicant exceed the fee. The application fee is nonrefundable and must be deposited into the Casino Control Commission Fund.

The bill requires, in the determination of whether to approve the application for a new license, the applicant to prove their suitability for licensure by clear and convincing evidence and the Commission to consider all of the factors established in the Casino Law that pertain to the granting of such a license. The Commission can reopen a licensing investigation at any time.

Under current law, no license issued under the Casino Law, including a casino operator license, is transferable. Generally, new majority ownership interest or control of a licensee requires a new license. Before any such change or transfer of control is approved, a *significant* change in or transfer of control requires the filing of an application for a new license and submission of a license fee with the Commission. A change in or transfer of control to an immediate family member is not considered a *significant* change.

Additionally, the bill removes current law provisions that provided that an initial license must not be considered transferred, and a new license must not be required, when an initial licensee that is licensed before June 1, 2013, does or has done both of the following:

(1) Obtained 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 the Casino Law as a parent, affiliate, subsidiary, key 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.



Casino Control Commission Enforcement Fund

(R.C. 2981.01, 2981.13, and 3772.36)

The bill creates in the state treasury the Casino Control Commission Enforcement Fund, and specifies that all moneys that are derived from any fines, mandatory fines, or forfeited bail to which the Commission is entitled under the Casino Law and all moneys that are derived from forfeitures of property to which the Commission is entitled under Ohio law (including the Casino Law and the Forfeiture Law) or federal law must be deposited into the Fund. The bill amends the Forfeiture Law to include the Commission as a law enforcement agency under that Law, which brings the Commission under the Law's provisions related to seizure, care, disposal, and sale of property subject to forfeiture.

Generally, the moneys in the Fund must be used solely to subsidize the Commission's Division of Enforcement and its efforts to ensure the integrity of casino gaming. However, the bill creates some exceptions to this general usage requirement as described below:

(1) Moneys that are derived from forfeitures of property under federal law and that are deposited into the Fund must be used and accounted for in accordance with the applicable federal law, and the Commission otherwise must comply with federal law in connection with that money.

(2) Moneys acquired from a sale of contraband or forfeited instrumentalities and any proceeds forfeited under the Forfeiture Law must be distributed according to the order specified in that Law.

(3) Moneys remaining after other distributions under the Forfeiture Law must be used as provided in that Law, including for law enforcement purposes that the Commission determines to be appropriate, but not to meet the operating costs of the Commission.

Additionally, the Executive Director of the Commission must file a report with the Attorney General not later than January 31 of the next calendar year, verifying that cash and forfeited proceeds paid into the Fund were used only in accordance with the relevant law and specifying the amounts expended for each authorized purpose.

