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## STATE LOTTERY COMMISSION

- Requires one State Lottery Commission appointee to have experience or training in the areas of problem gambling or other addictions and in assistance to recovering gambling or other addicts.
- Requires the State Lottery Commission to promulgate rules regarding making EZPlay keno and EZPlay lucky numbers bingo terminal-generated instant-win style lottery games available to licensed lottery sales agents.
- Requires the rules to contain certain criteria, including the ability to play at multiple ticket prices, the style and format of the games, the type of terminal the games must be available to play on, the manner of collecting winnings, limiting the placement of the terminals to holders of certain D liquor permits, the number of terminals to be made available, and the dates by which the terminals must be made available.
- Authorizes the Director of the Commission to license a limited liability company or any other business entity as a lottery sales agent.
- Removes a provision prohibiting the Director from issuing a lottery sales agent license to a person to engage in the sale of lottery tickets as the person's sole occupation or business.
- Specifies that the Director has discretion to refuse to grant, or to suspend or revoke, a lottery sales agent license for any of several enumerated deficiencies.
- Makes managers and, in addition to corporations, other business entities liable for certain of the enumerated deficiencies as they apply in a business context.
- Abolishes the Charitable Gaming Oversight Fund.
- Clarifies the law regarding employees of the Auditor of State who are prohibited from being awarded a lottery prize.

### Commission membership

(R.C. 3770.01)

The bill requires one person appointed as a member of the State Lottery Commission to have experience or training in the areas of problem gambling or other addictions and in assistance to recovering gambling or other addicts. Unlike the other



Commission members, this member is not required to have prior experience or education in business administration, management, sales, marketing, or advertising.

Under current law, this member must represent an organization that deals with problem gambling and assists recovering gambling addicts.

### **EZPlay keno and EZPlay lucky numbers bingo**

(R.C. 3770.03)

The bill requires the State Lottery Commission to promulgate rules under the Administrative Procedure Act regarding making EZPlay keno and EZPlay lucky numbers bingo self-service terminal-generated instant-win style lottery games available to licensed lottery sales agents. The rules must contain at least the following criteria:

(1) EZPlay keno must consist of and contain the ability to be played at multiple ticket prices as established by the Commission, and must be available as an instant play style lottery game on the interactive format self-service terminal and other lottery terminals and devices.

(2) EZPlay lucky numbers bingo must consist of and contain the ability to be played at multiple ticket prices as established by the Commission, and must be available as both instant play and draw style lottery games on the interactive format self-service terminal and other lottery terminals and devices.

(3) The games must be made available using either a clerk-facing lottery terminal or a self-service lottery terminal (which must not be a video lottery terminal) as available from the Commission's gaming systems vendor.

(4) The games must be available for play in graphical, paperless, and interactive formats, which means the ability of a player to initiate, play, and view the game, including the reveal of a result, on the self-service terminal from which the game is purchased.

(5) The player must have the option to receive a paper pay voucher to be redeemed by a licensed lottery sales agent or credited through a self-service lottery terminal.

(6) These interactive format self-service terminals must only be made available to a licensed lottery sales agent that is also a holder of a D-1, D-2, D-2x, D-3, D-3x, D-3a, or D-5 liquor permit issued under the Liquor Control Law.



(7) The Commission must acquire and make available at least 3,000 interactive format self-service terminals before March 1, 2016, 1,500 of which must be acquired, deployed, and in operation before January 1, 2016.

## **Lottery sales agent licensing**

(R.C. 3770.05)

The bill makes several revisions in the law pertaining to the licensing of lottery sales agents. First, the bill authorizes the Director of the Commission to license a limited liability company or any other business entity as a lottery sales agent. Under continuing law, a person, association, corporation, partnership, club, trust, estate, society, receiver, trustee, person acting in a fiduciary or representative capacity, state or political subdivision instrumentality, or any other combination of individuals can be licensed as a lottery sales agent. The bill removes the term "person" and replaces it with the term "individual" in this definition.<sup>142</sup>

Second, the bill removes a provision prohibiting the Director from issuing a lottery sales agent license to any person or group of persons to engage in the sale of lottery tickets as the person's or group's sole occupation or business.

Third, the bill specifies that the Director has discretion to refuse to grant, or to suspend or revoke, a lottery sales agent license for any of several enumerated deficiencies. Under current law, the Director is required to refuse to grant, or to suspend or revoke, a lottery sales agent license for any of these deficiencies. Examples of the deficiencies include having been convicted of a felony, having been convicted of an offense that involves illegal gambling, or, in a business context, it appears to the Director that, due to the experience, character, or general fitness of any director, officer, or controlling shareholder, a lottery sales agent license would be inconsistent with the public interest, convenience, or trust.

In the enumeration of deficiencies that apply in a business context, the bill makes two further changes. Continuing law makes directors, officers, and controlling shareholders liable for some of the enumerated business deficiencies. The bill makes managers also liable for these deficiencies. Continuing law also makes corporations liable for some of the enumerated business deficiencies. The bill makes "other business entities" also liable for these deficiencies.

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<sup>142</sup> This change is technical because the law being described here enumerates most of the common business entities, most of which also are included in the general definition of "person." "Person," as so defined, also includes an individual. (R.C. 1.59(C), not in the bill.)



## **Charitable Gaming Oversight Fund**

(R.C. 3770.061 (repealed))

The bill abolishes the Charitable Gaming Oversight Fund used by the Commission to provide oversight, licensing, and monitoring of charitable gaming activities in Ohio. The Fund consists of money received from the Attorney General's Office pursuant to an agreement under which the Commission is to carry out the duties of the Attorney General under the state Gambling Law (R.C. Chapter 2915.).

## **Auditor of State employees prohibited from receiving prize**

(R.C. 3770.07)

The bill clarifies the law regarding employees of the Auditor of State who are prohibited from being awarded a lottery prize. Current law prohibits these employees who actively audit, coordinate, or certify commission drawings from being awarded a lottery prize. The bill removes the prohibition respecting these employees who "certify" drawings and replaces it with a prohibition on employees who "observe" the drawings. Auditor of State employees do not certify commission drawings, but may observe the drawings.

