

Executive

As Passed by the House

As Reported by Senate Finance

LOTCD1 State Lottery Commission Rule-making Procedures

R.C. *3770.03, 111.15*

Requires the State Lottery Commission to adopt non-instant game rules in the same manner as instant game rules in that all game rules are to be adopted under the abbreviated rule-making procedure and are not subject to legislative review and invalidation.

No provision.

No provision.

Fiscal effect: None.

LOTCD8 Lottery Notice Information

No provision.

R.C. *3770.03, 3770.031*

Adds to the list of topics for rules promulgated by the State Lottery Commission a requirement that certain notices appear on a lottery ticket, including one that must appear if the word "education" is used in any advertising for a statewide lottery, which must include information on the percentage that lottery profits contribute to all education funding in Ohio. Requires this notice to appear on any television advertising for the Ohio Lottery and on the first page of the web site for the Ohio Lottery.

No provision.

Fiscal effect: Potential increase in ticket printing costs, which would be paid from the State Lottery Fund (Fund 7044).

Executive

As Passed by the House

As Reported by Senate Finance

LOTCD2 Alternative to Surety Bonding for Lottery Sales Agents

R.C. 3770.05

Authorizes the Director of the Ohio Lottery Commission, with the Commission's approval to adopt an alternative program or policy for a lottery sales agent license applicant to establish financial responsibility, in lieu of obtaining a surety bond or making a dedicated account deposit. Allows lottery sales agents to participate in the new program or policy with the Director's approval.

Fiscal effect: The financial responsibility program is intended to protect the Lottery Commission against an agent's failure to make prompt and accurate payments for lottery ticket sales, against lost or stolen tickets, and against damaged equipment issued to the agent. This provision specifies that the alternative program or policy must protect the interests of the State Lottery. There should be no fiscal effect from this provision.

R.C. 3770.05

Same as the Executive.

Fiscal effect: Same as the Executive.

No provision.

LOTCD3 Application and Renewal Fees

R.C. 3770.05

Eliminates the requirement that lottery sales agent license application fees, the license renewal fee, and administrative fees charged by the State Lottery Commission be approved by the Controlling Board.

Authorizes the State Lottery Commission to charge an applicant fees for a lottery sales agent license, rather than a fee, but makes it permissive for the Commission to charge those fees or to charge license renewal fees.

R.C. 3770.05

No provision.

Same as the Executive.

R.C. 3770.05

No provision.

Same as the Executive.

Executive

As Passed by the House

As Reported by Senate Finance

Fiscal effect: Potential minimal loss.

Fiscal effect: Same as the Executive.

Fiscal effect: Same as the Executive.

LOTCD4 Transfers to the Lottery Profits Education Fund

Section: 329.10

Requires the Director of Budget and Management to transfer an amount greater than or equal to \$717.5 million in fiscal year 2012 and \$680.5 million in fiscal year 2013 from the State Lottery Fund (Fund 7044) to the Lottery Profits Education Fund (Fund 7017). States that such transfers represent the estimated net income from operations of the Commission in FY 2012 and FY 2013.

Section: 329.10

Same as the Executive.

Section: 329.10

Same as the Executive.

LOTCD5 Operating Expenses

Section: 329.10

Authorizes the Controlling Board, at the request of the State Lottery Commission, to authorize additional appropriations for operating expenses of the State Lottery Commission from the State Lottery Fund up to a maximum of 15 percent of anticipated total revenue from the sale of lottery tickets.

Section: 329.10

Same as the Executive.

Section: 329.10

Same as the Executive.

LOTCD6 Direct Prize Payments

Section: 329.10

Appropriates any amounts, in addition to the amounts appropriated in SLF Fund 7044 appropriation item 950601, Direct Prize Payments, that the Director of the State Lottery Commission determines to be necessary to fund prizes, bonuses, and commissions.

Section: 329.10

Same as the Executive.

Section: 329.10

Same as the Executive.

Executive

As Passed by the House

As Reported by Senate Finance

LOTCD7 Annuity Prizes

Section: 329.10

Authorizes the State Lottery Commission, with the approval of the Office of Budget and Management, to transfer an amount sufficient to fund deferred prizes from the State Lottery Fund (Fund 7044) to the Deferred Prizes Trust Fund (Fund 8710). Appropriates any amounts, in addition to the amounts appropriated in appropriation item 950602, Annuity Prizes, that the Director of the State Lottery Commission determines to be necessary to fund deferred prizes and interest earnings. Requires the Treasurer of State, from time to time, to credit Fund 8710 the pro rata share of interest earned on invested balances.

Section: 329.10

Same as the Executive.

Section: 329.10

Same as the Executive.

LOTCD10 Conversion of the State Lottery to a Privately-Managed Lottery

(1) No provision.

(1) No provision.

Section: 737.40

(1) Requires the Director of Budget and Management to compare and analyze alternatives in order to convert the State Lottery from a state-run entity to a commercially-run enterprise.

(2) No provision.

(2) No provision.

(2) Requires the Director to develop a competitive selection process for the selection of an entity or entities to operate and manage the State Lottery and permits the Director to hire qualified, appropriate experts to assist in the selection process. Requires the request for proposals to include a provision that the proceeds payable to the bidder are subject to all ordinary taxes.

Executive

As Passed by the House

As Reported by Senate Finance

(3) No provision.

(3) No provision.

(3) Requires the Director to report to the General Assembly, by December 15, 2011, the Director's proposal for the operation and management of the State Lottery.

(4) No provision.

(4) No provision.

(4) Requires the Director to propose a request for proposals process to the General Assembly, by January 15, 2012, that outlines the appropriate terms and conditions for the operation and management of the State Lottery.

(5) No provision.

(5) No provision.

(5) Allows the General Assembly, within 90 days of receipt of the Director's proposal, to approve or reject the terms and conditions outlined in the request for proposals by Joint Resolution initiated in the Senate, and permits the Director to move forward with the request for proposals if the General Assembly does not act during this 90-day period.

Fiscal effect: Securing the services of qualified advisors for comparing various alternatives in the conversion of the State Lottery to a privately-managed enterprise would increase state expenditures in FY 2012. The amendment does not provide a source of funding for the increased expenditures.