
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.
- Would have required the 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 (VETOED).
- 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 act 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 providing 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 former law, this member was to represent an organization that deals with problem gambling and assists recovering gambling addicts.



EZPlay keno and EZPlay lucky numbers bingo (VETOED)

(R.C. 3770.03)

The Governor vetoed a provision that would have required the Commission to promulgate rules under the Administrative Procedure Act (R.C. Chapter 119.) making EZPlay keno and EZPlay lucky numbers bingo self-service terminal-generated instant-win style lottery games available to licensed lottery sales agents in compliance with at least the following criteria:

(1) EZPlay keno would have had the ability to be played at multiple ticket prices as would have been established by the Commission, and would have been 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 would have had the ability to be played at multiple ticket prices as would have been established by the Commission, and would have been 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 would have been available using either a clerk-facing lottery terminal or a self-service lottery terminal (but not a video lottery terminal) as available from the Commission's gaming systems vendor.

(4) The games would have been 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 would have had 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 would have been made available only 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 retail liquor permit issued under the Liquor Control Law.

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



Lottery sales agent licensing

(R.C. 3770.05)

The act makes several revisions in the law pertaining to the licensing of lottery sales agents. First, the act 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 act removes the term "person" and replaces it with the term "individual" in this definition.¹⁰⁵

Second, the act 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 act 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 prior law, the Director was 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, if 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 act makes two further changes. Continuing law makes directors, officers, and controlling shareholders liable for some of the enumerated business deficiencies. The act makes managers also liable for these deficiencies. Continuing law also makes corporations liable for some of the enumerated business deficiencies. The act makes "other business entities" also liable for these deficiencies.

¹⁰⁵ 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 act.)



Charitable Gaming Oversight Fund

(R.C. 3770.061 (repealed))

The act abolishes the Charitable Gaming Oversight Fund, which was used by the Commission to provide oversight, licensing, and monitoring of charitable gaming activities in Ohio. The Fund consisted of money received from the Attorney General's Office pursuant to an agreement under which the Commission was to carry out the duties of the Attorney General under the state Gambling Law.¹⁰⁶

Auditor of State employees prohibited from receiving prize

(R.C. 3770.07)

The act clarifies the law regarding employees of the Auditor of State who are prohibited from being awarded a lottery prize. Employees of the Auditor of State who actively audit, coordinate, or certify Commission drawings are prohibited from being awarded a lottery prize. The act 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, but may observe, the drawings.

¹⁰⁶ R.C. Chapter 2915.

