

OHIO CASINO CONTROL COMMISSION

Mike DeWine
Governor



Thomas J. Stickrath
Chair

NOTICE OF PUBLIC HEARING

A public hearing will be held by the Ohio Casino Control Commission ("Commission") on **Monday, June 5, 2023, at 2:00 p.m.** at its main office, located at 100 E. Broad Street, 20th Floor, Columbus, Ohio 43215. The purpose of the hearing is to solicit public comment on the rules contained in ERF package number 197472, summaries of which are below.

All interested parties are invited to attend the hearing and present testimony. Written comments may also be submitted to the attention of Andromeda Morrison, General Counsel and Director of Skill Games, Ohio Casino Control Commission, at 100 E. Broad Street, 20th Floor, Columbus, OH 43215, or by electronic mail at rulecomments@casinocontrol.ohio.gov.

Rule Summaries

The rules presented here are being reviewed pursuant to the state's rule-review requirement in R.C. 106.03 and are those rules contained in Ohio Adm.Code Chapter 3772-50 (Skill-Based Amusement Machine). Many of the revisions are meant to improve clarity or readability or to reduce redundancies in and between the Administrative and Revised Codes. Additionally, many changes have been made to update, streamline, and standardize rule language. As a result of these changes, some rules have been rescinded or combined. Further changes are proposed to reduce regulatory restrictions, as mandated by SB 9 of the 134th General Assembly, and better align with Commission and industry practices.

- **3772-50-01 (amend)**, titled "Definitions." This rule establishes definitions used throughout chapter 3772-50 of the Administrative Code. The purpose of the rule is to provide consistent terminology for frequently used words. Containing definitions to one administrative rule allows the Commission to provide clarity, ease of location and use, and avoid repetition throughout the chapter. The amendment to this rule deletes one term that will no longer be used in the Code, as it is unnecessary.
- **3772-50-02 (no change)**, titled "Authority and purpose." This rule outlines the purpose of chapter 3772-50 of the Administrative Code, to ensure the integrity of skill-based amusement machine gaming and describes some of the Commission's powers with respect to skill-based amusement machine gaming. The purpose of the rule is to provide clarity to the Commission's mission and authority with respect to skill-based amusement machine gaming.
- **3772-50-04 (amend)**, titled "Skill-based amusement machine vendor license." This rule establishes the licensing factors used by the Commission to evaluate the suitability for

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licensure of skill-based amusement machine vendors. The rule also describes the process for obtaining a license as a skill-based amusement machine vendor, including applying through the state of Ohio's eLicense system and submitting a \$500 application fee. The licensure period is up to three years. The purpose of the rule is to provide guidance as to the application and licensing procedure used by the Commission to license a person as a skill-based amusement machine vendor. The amendments to this rule combine the application fee and license fee into one \$500 application fee. This will allow applicants to submit only one payment, instead of two. As such, the provisions that require a license fee have been removed as unnecessary and redundant. Other changes to this rule include streamlining the language to improve clarity and readability.

- **3772-50-06 (amend)**, titled "Type-B skill-based amusement machine operator licensure." This rule establishes the licensing factors used by the Commission to evaluate the suitability for licensure of type-B skill-based amusement machine operators. The rule also describes the process for obtaining a license as a type-B skill-based amusement machine operator, including applying through the state of Ohio's eLicense system and submitting a \$250 application fee. The licensure period is up to three years. The purpose of the rule is to provide guidance as to the application and licensing procedure used by the Commission to license a person as a type-B skill-based amusement machine operator. The amendments to this rule combine the application fee and license fee into one \$250 application fee. This will allow applicants to submit only one payment, instead of two. As such, the provisions that require a license fee have been removed as unnecessary and redundant. Other changes to this rule include streamlining the language to improve clarity and readability.
- **3772-50-07 (amend)**, titled "Type-C skill-based amusement machine operator licensure." This rule establishes the licensing factors used by the Commission to evaluate the suitability for licensure of type-C skill-based amusement machine operators. The rule also describes the process for obtaining a license as a type-C skill-based amusement machine operator, including applying through the state of Ohio's eLicense system and submitting a \$500 application fee. The licensure period is up to three years. The purpose of the rule is to provide guidance as to the application and licensing procedure used by the Commission to license a person as a type-C skill-based amusement machine operator. The amendments to this rule combine the application fee and license fee into one \$500 application fee. This will allow applicants to submit only one payment, instead of two. As such, the provisions that require a license fee have been removed as unnecessary and redundant. Other changes to this rule include streamlining the language to improve clarity and readability.
- **3772-50-08 (amend)**, titled "Type-C skill-based amusement machine location licensure." This rule establishes the licensing factors used by the Commission to evaluate the suitability for licensure of type-C skill-based amusement machine locations. The rule also describes the process for obtaining a license as a type-C skill-based amusement machine location, including applying through the state of Ohio's eLicense system and submitting a \$50 application fee. The licensure period is up to five years. The purpose of the rule is to provide guidance as to the application and licensing procedure used by the Commission to license a person as a type-C skill-based amusement machine location. The amendments to this rule combine the application fee and license fee into one \$50 application fee. This will

allow applications to submit only one payment, instead of two. As such, the provisions that require a license fee have been removed as unnecessary and redundant. Other changes to this rule include streamlining the language to improve clarity and readability.

- **3772-50-09 (rescind)**, titled “Registration of operation of skill-based amusement machine.” The purpose of this rule was to provide a specific time period for participants in skill-based amusement machine gaming to register with the Commission while license applications are being reviewed. The registration time period has ended, and this rule is no longer necessary. Therefore, the rule is being rescinded.
- **3772-50-11 (rescind)**, titled “Duty to update.” This rule specifies the circumstances under which applicants and licensees must notify the Commission of a change in certain information, including changes in contact information, name changes, administrative sanctions or settlements issued by any gaming or State of Ohio agency, and changes to an applicant’s or licensee’s financial or criminal background. These updates must be submitted to the Commission in writing within thirty calendar days after the change or occurrence of the event. The purpose of this rule is to ensure the continuing suitability of skill-based amusement machine applicants or licensees. This rule is being rescinded because it is being combined with proposed Ohio Adm.Code 3772-50-03. As such, see amended 3772-50-03 for a summary of these provisions.
- **3772-50-14 (amend)**, titled “Inspection and audits.” This rule provides that the Commission has access to any location that is related to skill-based amusement machine gaming, including the manufacturing, distribution, or testing of any supplies, devices, or equipment. The rule details the Commission’s inspection and audit authority, including the examination of machine locations, supplies, devices or equipment; inspecting and auditing persons that conduct or participate in skill-based amusement machine gaming; and requesting licensed persons to produce audits or other documents relating to the gaming. The rule further states that all applicants and licensees consent to the inspections and requests for disclosure of records by the Commission. The purpose of this rule is to allow the Commission access to the premises in order to inspect and ensure operators and vendors are complying with all laws pertaining to the operation of skill-based amusement machine operations. The amendments to this rule improve clarity and readability.
- **3772-50-16 (amend)**, titled “Prohibited activities.” This rule prohibits certain conduct by skill-based amusement machine vendors, operators, locations, and other persons. The prohibited conduct includes obtaining a skill-based amusement machine from a person not licensed by the Commission, with a limited exception; extending credit to players; failing to submit any required report of form; and conducting or participating in conducting skill-based amusement machine gaming in violation of the Revised Code or the administrative rules. The purpose of the rule is to outline the specific activities that are prohibited in skill-based amusement machine gaming in Ohio. Amendments to this rule remove redundant prohibitions found elsewhere in the revised or administrative codes. The amendments also remove a provision regarding key employees as unnecessary due to the rescission of the key employee licensing requirements.

- **3772-50-18 (amend)**, titled “Duties of type-B skill-based amusement machine operators.” This rule describes the responsibilities of type-B skill-based amusement machine operators to maintain certain records, including changes to game program or software; maintain the security of locked cabinets or consoles; ensure that prizes are capable of being dispensed from a type-B skill-based amusement machine; and place a sign or sticker on each type-B skill-based amusement machine providing a complaint phone number available to consumers. The rule further provides that a type-B skill-based amusement machine operator shall comply with notices and directives from the Commission or the Executive Director to implement policies, procedures, or practices. The purpose of the rule is to outline the affirmative duties of a licensed type-B skill-based amusement machine operator. The amendment to this rule removes a requirement that licensees maintain certain records. This is being removed as redundant as this requirement is described in proposed Ohio Adm.Code 3772-50-13, as summarized there.
- **3772-50-19 (amend)**, titled “Duties of type-C skill-based amusement machine operators.” This rule describes the responsibilities of type-C skill-based amusement machine operators to maintain certain records, including changes to game program or software; maintain the security of locked cabinets or consoles; display available prizes in a single area; and place a sign at a location or sticker on each skill-based amusement machine providing a complaint phone number available to consumers. The rule further provides that a type-C skill-based amusement machine operator shall comply with notices and directives from the Commission or the Executive Director to implement policies, procedures, or practices. The purpose of the rule is to outline the affirmative duties of a licensed type-C skill-based amusement machine operator. The amendment to this rule removes a requirement that licensees maintain certain records. This is being removed as redundant as this requirement is described in proposed Ohio Adm.Code 3772-50-13, as summarized there.
- **3772-50-22 (rescind)**, titled “Conditions of skill-based amusement machine testing laboratory certification.” This rule is being rescinded as unnecessary as the certification of independent skill-based amusement machine testing laboratories will follow the same procedure for certification of sports gaming testing laboratories and are detailed in proposed Ohio Adm.Code 3772-50-21.
- **3772-50-23 (rescind)**, titled “Duties of certified independent skill-based amusement machine testing laboratories.” This rule is being rescinded as unnecessary. One provision is being combined with proposed Ohio Adm.Code 3772-50-21, as summarized there.
- **3772-50-24 (amend)**, titled “Skill-based amusement machine standards” and appendix. This rule contains the technical requirements for each type-B or type-C skill-based amusement machine that can be verified through independent testing or evaluation. The purpose of this rule is to ensure the integrity of skill-based amusement machines by ensuring that all skill-based amusement machines are designed and function in accordance with the requirements under R.C. 2915.01(UU). This rule also provides requirements skill-based amusement machine operators must comply with. The amendments to this rule are to provide clarity to rule language. There are no changes to the appendix.

- **3772-50-25 (amend)**, titled “Approval and testing.” This rule requires skill-based amusement machine vendors ensure that the Commission has approved a skill-based amusement machine prior to selling the machine for use in Ohio. The rule further describes the procedures a vendor may use to seek the requisite approval of a machine. The purpose of the rule is to make sure that each skill-based amusement machine operated in Ohio meets the technical standards adopted by the Commission. The amendments to this rule remove two provisions. The first removes the requirement that the Commission has approved the sale of a skill-based amusement machine. The second removes a requirement regarding vendor registration. This is being removed as unnecessary because Ohio Adm.Code 3227-50-09 is being rescinded. Other changes focus on improving clarity and readability.
- **3772-50-26 (amend)**, titled “Skill-based amusement machine tournaments.” This rule outlines specific requirements for skill-based amusement machine tournaments, including requirements on prizes, advertisements, durations, and frequency. The rule provides an exclusion for tournaments that are conducted on a national or international level. The purpose of the rule is to establish requirements for skill-based amusement machine tournaments to ensure the integrity of the tournaments and limit the potential for abuse by illegal casino operators. The amendments to this rule remove a notification requirement for tournaments. Additional changes streamline and clarify language.
- **3772-50-27 (amend)**, titled “Hearings.” This rule establishes that the Commission shall utilize the hearing procedures promulgated in chapter 3772-21 of the Administrative Code. The purpose of the rule is to provide consistent hearing procedures, in accordance with R.C. Chapter 119, between casino-related and skill-based amusement machine-related applicants and licensees. The sole amendment to this rule removes an outdated cross reference.
- **3772-50-28 (no change)**, titled “Sanctions.” This rule establishes the scope of the sanctions that may be imposed upon on a person that is found to have violated the provisions of R.C. Chapters 3772 and 2915 and any of the related administrative rules. The purpose of the rule is to establish the authority of the Commission to sanction persons involved in skill-based amusement machine gaming in a manner consistent with the Commission’s authority to sanction persons involved in casino gaming.