

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 2:05 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 197825, 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 As a result of these changes, some rules have been rescinded or combined.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.

- **3772-50-03 (amend)**, titled "General licensing requirements." This rule describes the requirements to be licensed under chapter 3772-50 of the Administrative Code. In particular, the rule requires all persons who engage in skill-based amusement machine gaming as a skill-based amusement machine vendor, type-B skill-based amusement machine operator, or type-C skill-based amusement machine operator shall be licensed by the commission unless, (1) the person conducts only type-A skill-based amusement machine gaming, (2) the person is a location that conducts type-B skill-based amusement machine gaming (but not type-C skill-based amusement machine gaming), or (3) a location is otherwise licensed as a type-C skill-based amusement machine operator. The purpose of the amendment is to streamline language and removes three provisions as unnecessary or redundant. The first provision stated that the information contained in the application shall be used as a basis for an investigation. This is removed to streamline the rule. It also removes the provision that no license can be transferred. This change will allow greater flexibility to determine whether a new license application is necessary and will allow the Commission to align with other state licensing requirements, such as liquor permits. The third provision removes the Commission's assessment of additional

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fees if the application fee is insufficient to cover the cost of the investigation. This rule has not been needed and is being removed as unnecessary. The amendment to this rule moves the duty to update requirement from 3772-50-11 to this rule, which requires applicants and licensees to update the Commission within 30 days of changes to certain information.

- **3772-50-05 (rescind)**, titled “Skill-based amusement machine key employee licensure.” This rule is being rescinded because the Commission has determined that licensure of skill-based amusement machine key employees is not necessary to ensure the integrity of skill-based amusement machine gaming. Because key employees will no longer be required to be licensed, it is being rescinded as unnecessary.
- **3772-50-10 (amend)**, titled “Waiver and Variances.” This rule allows the Commission to waive or vary the requirements of chapter 3772-50 of the Administrative Code upon a written request of the person requesting waiver or variance. However, the Commission will not grant a waiver of the general requirement to be licensed under chapter 3772-50 of the Administrative Code. The purpose of the rule is to provide some flexibility to the Commission and the stakeholder community. The changes to this rule remove a fee for requesting a waiver or variance and are otherwise meant to streamline or standardize rule language and provide clarity and readability.
- **3772-50-12 (amend)**, titled “Filing Requirements.” This rule outlines the items that type-B and type-C Skill-based amusement machine operators must file annual reports with the Commission. These requirements include the filing of a report containing a list of all skill-based amusement machine locations that the operator owns, leases, manages, or operates one or more type-B or C machines and a listing of all machine vendors that the operator conducts business with. Skill-based amusement machine vendors must also file a similar report with the Commission. The purpose of this rule is to ensure that the Commission has complete information with respect to the breadth of each applicant or licensee’s skill-based amusement machine operation in the State of Ohio. The amendments to this rule remove multiple provisions as unnecessary including requirements for an initial report to be filed upon licensure as well as a requirement to provide notice to the Commission when they cease doing business in Ohio. Other changes streamline and clarify the rule language.
- **3772-50-13 (amend)**, titled “Records retention requirements.” This rule details the specific records that each skill-based amusement machine operator or vendor is required to retain and maintain relating to the conduct of skill-based amusement machine operations in the State of Ohio. These records must be maintained in a manner that enables efficient review by the Commission but may be retained at a location outside of the state so long as they are electronically transferable to the Commission within a reasonable amount of time. The rule also requires the records to be maintained for at least three years after creation and must be provided to the Commission upon request. The purpose of this rule is to ensure the proper storage and retention of information relating to skill-based amusement machines, allowing the Commission to perform audits and other necessary investigations to ensure the integrity of skill-based amusement machine gaming. The amendments to this rule remove provisions regarding type-C skill-based amusement machine location licensee

maintaining records. Other changes to this rule are meant to streamline rule language and provide clarity.

- **3772-50-15 (amend)**, titled “Advertising.” This rule outlines the guidelines for skill-based amusement machine gaming-related advertisements in Ohio. The rule prohibits false, deceptive, or misleading advertisements and the depiction of unapproved skill-based amusement machines or prohibited prizes in advertisements. The purpose of this rule is to protect Ohio patrons from deceptive and misleading advertisements. The amendments to this rule remove two provisions regarding type-B and type-C skill-based amusement machine advertising. The changes are meant to streamline the rule language.
- **3772-50-17 (amend)**, titled “Duties of skill-based amusement machine vendors.” This rule describes the responsibilities of skill-based amusement machine vendors to manufacture or distribute skill-based amusement machines that comply with technical standards established by the Commission, submit skill-based amusement machines to a certified independent skill-based amusement machine testing laboratory, and ensure that skill-based amusement machines have a locked cabinet or console. The rule further provides that a skill-based amusement machine vendor 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 skill-based amusement machine vendor. The amendments to this rule provide clarity and update the rule to comport with new Ohio Adm.Code 3772-50-21.
- **3772-50-20 (amend)**, titled “Duties of type-C skill-based amusement machine locations.” This rule describes the responsibilities of type-C skill-based amusement machine locations to revenue-share only with licensed operators and maintain accounting for each agreement and allow a licensed operator to place any required signs or materials at the location. The rule further provides that a type-C skill-based amusement machine location 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 location. 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. This amendment also removes the requirement that the location conspicuously display all merchandise which is redundant of a requirement in proposed Ohio Adm.Code 3772-50-19, as summarized there.
- **3772-50-21 (rescind)**, titled “Independent skill-based amusement machine testing laboratory certification.” This rule is being rescinded to make a new version and combine it with provisions from Ohio Adm.Code 3772-50-23.
- **3772-50-21 (new)**, titled “Independent skill-based amusement machine testing laboratory certification.” This rule, while “new,” consists mainly of provisions of current Ohio Adm.Code 3772-50-21 and 3772-50-23. This rule establishes the requirements to obtain and maintain certification as an independent skill-based amusement machine testing laboratory. The purpose of the rule is to ensure the integrity of skill-based amusement

machine gaming through independent testing laboratories. The rule changes the process for obtaining certification to align with the process used for certification for sports gaming. Additionally, the certification fee that was previously assessed has been removed. One provision from Ohio Adm.Code 3772-50-23 prohibiting certified testing laboratories from testifying against the interests of the Commission have been moved here. All other changes are meant to streamline and harmonize language between skill gaming and sports gaming certifications of independent testing laboratories.