

Rule Summary and Fiscal Analysis (Part A)**Attorney General**

Agency Name

Consumer Protection

Division

Doug Crew

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109:4-3-31

Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Skill-based amusement games.**RULE SUMMARY**

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **No**

2. Are you proposing this rule as a result of recent legislation? **No**

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **1345.05(B)(2)**

5. Statute(s) the rule, as filed, amplifies or implements: **1345.02**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This substantive rule is proposed in order to protect Ohio consumers from deceptive practices commonly found in the provision of purported skill-based amusement machines for use by the public. The rule will prohibit, as unfair and deceptive acts, certain acts and practices of suppliers providing purported skill-based amusement machines for use by Ohio consumers. The rule provides clarity and guidance to suppliers on the activities they must avoid, the actions they must take and the disclosures they must make in connection with such machines in order to remain in compliance with Ohio law.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

The proposed rule provides:

1. That it is an unfair and deceptive act or practice for a supplier to misrepresent that any mechanical or electronic game is a skill-based amusement machine if it fails to meet the requirements of this rule;
2. That is is an unfair and deceptive act for a supplier of skill based amusement machines to: guarantee a return of any percentage of a consumer's consideration for use of the machine to anyone other than the consumer; to fail to maintain required records; to fail to comply with legal requirements; to provide incomplete, confusing, or misleading information to consumers; or to fail to display required information and the merchandise prizes.

The rule also contains definitions of several terms as used within the rule, including skill-based amusement machine, merchandise prize, reasonable consumer, redeemable voucher, and supplier, and defines machines that do not qualify as skill-based amusement machines.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

Not Applicable.

12. 119.032 Rule Review Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

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The rule will not increase revenues and is not expected to have any direct impact on agency expenditures.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

No expenditure.

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The cost of compliance to affected parties will include costs to maintain records required by the rule and to make disclosures required by the rule. For those persons who have placed machines for use by consumers that do not qualify as skill-based

amusement machines, the supplier may suffer the cost of removing such deceptive machines from Ohio business establishments.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**