

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 3772-4-02

Rule Type: Amendment

Rule Title/Tagline: Information that must be provided.

Agency Name: Ohio Casino Control Commission

Division:

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I. Rule Summary

1. Is this a five year rule review? Yes
 - A. What is the rule's five year review date? 4/26/2021
2. Is this rule the result of recent legislation? No
3. What statute is this rule being promulgated under? 119.03
4. What statute(s) grant rule writing authority? 3772.03, 3772.033, 3772.11
5. What statute(s) does the rule implement or amplify? 3772.07, 3772.10, 3772.11, 3772.111, 3772.15, 3772.18, 3772.27
6. What are the reasons for proposing the rule?

The purpose of this rule is to ensure that these entities provide the Commission with enough information for the agency to determine whether they are eligible, capable, and suitable to obtain a license.
7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

Presently, the rule specifies the substantive information that must be provided to the Commission for the issuance of an operator license. The amendments to this rule

improve readability and remove redundancies. For instance, the amendment removes several provisions that have statutory analogues or that unnecessarily add to existing statutory requirements. Additionally, many provisions of Ohio Adm.Code 3772-4-03 and 3772-4-04 were moved into this rule, as those rules were often duplicative of this one, and those provisions that were not duplicative did not require a separate rule or were no longer necessary. Specifically, those restrictions in 3772-4-03(A)(1)-(3) have been moved into 3772-4-02(W)(2)-(4); 3772-4-03(D) has been moved to 3772-4-02(V); and, finally, 3772-4-03(E) and 3772-4-04(D) and (E) have all been moved to 3772-4-02(W)(1).

- 8. Does the rule incorporate material by reference? No**
- 9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

Not Applicable

- 10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not Applicable

II. Fiscal Analysis

- 11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

N/A

Not Applicable

- 12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

The Commission anticipates a minimum impact from business from this rule. While the rule does require certain information to be provided, most of these materials are either expressly required by statute or would be needed to evaluate express, specific criteria set out by statute. See R.C. 3772.07, 3772.10, 3772.11, 2772.111, 3772.18, and 3772.27. Further, the Commission is specifically charged with adopting a rule on this point in R.C. 3772.03(D)(3) and 3772.11. As for the changes to this

rule, many of them are made to strip out certain direct redundancies between this rule and the Revised Code or other rules. In so doing, certain regulations from Ohio Adm.Code 3772-4-03 and 3772-4-04 were moved into this rule. This will help entities better understand what information is required to be provided, as now only one rule will govern that subject. Finally, detailed applications are common in the casino industry in every jurisdiction in which they operate, and because of this, the applicants already have dedicated staff to ensure these license requirements are met in each jurisdiction. Therefore, the cost to the operator submitting these materials is built into their business model and largely derived from detailed statutory requirements, minimizing the adverse business impact.

13. **Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**
14. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**
15. **If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

Not Applicable

III. Common Sense Initiative (CSI) Questions

16. **Was this rule filed with the Common Sense Initiative Office? Yes**
17. **Does this rule have an adverse impact on business? Yes**
 - A. **Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes**

Pursuant to R.C. 3772.09(A), no casino operator, management company, holding company, gaming-related vendor, key employee, or casino gaming employee shall conduct or participate in conducting casino gaming without first obtaining a license from the Casino Control Commission. Chapter Four helps implement that requirement for casino operators, holding companies, and management companies.
 - B. **Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? Yes**

While this rule does not specifically impose a penalty for failure to comply with its terms, failure to comply with R.C. Chapter 3772 or any rules adopted

thereunder could result in the Commission commencing administrative action pursuant to R.C. Chapter 119, including, but not limited to, fines for noncompliance, denial, suspension or revocation of a license, or other civil penalties. In addition, certain noncompliant activity, as described in R.C. 3772.99, could result in criminal penalties.

C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

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D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? Yes

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IV. Regulatory Restrictions (This section only applies to agencies indicated in R.C. 121.95 (A))

18. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? Yes

A. How many new regulatory restrictions do you propose adding? 0

B. How many existing regulatory restrictions do you propose removing? 7

Former 3772-4-02(B)'s requirement that the applicant provide its name, address, telephone number, etc. has been removed.

Former 3772-4-02(M)'s requirement that the applicant identify certain principals has been removed.

Former 3772-4-02(P)'s requirement that the applicant provide information about companies in which it, and certain other people, had certain ownership interests in has been removed.

Former 3772-4-02(V)'s requirement that the applicant provide certain information regarding tax complaints has been removed.

Former 3772-4-02(W)'s requirement that the applicant provide certain information related to bankruptcies has been removed.

Former 3772-4-02(Z)'s requirement that certain financial contributions made in related to certain public officials or ballot initiatives has been removed.

Former 3772-4-02(AA)'s requirement that certain plans or information related to a proposed casino gaming operation has been removed.