

OHIO CASINO CONTROL COMMISSION

John R. Kasich
Governor



Jo Ann Davidson
Chair

NOTICE OF PUBLIC HEARING

A public hearing will be held by the Ohio Casino Control Commission ("Commission") on **Wednesday, July 27, 2016 at 10:00 a.m.** on the 6th Floor of the One Columbus Building, located at 10 West Broad Street, Columbus, Ohio 43215. The purpose of the hearing is to solicit public comment on the following proposed rule amendments:

These rule relate to licensing casino owners, operators, management companies, and holding companies; the insurance certain licensees must carry; approval of third-party engineering and accounting firms for casino operators; and approval for debt transactions for casino operators. Many of these amendments are aimed towards providing flexibility to and removing undue burdens from the Commission, in addition to a multitude of small housekeeping changes to tighten up and clarify rule language.

In addition to the items specifically listed below, many of the amendments to 3772-4 include adding "initial or new" before "applicant" in certain circumstances. This change is intended to specify that a renewal applicant need not resubmit certain material to the Commission when it has already submitted that information in its initial application. This change is intended to remove the need for unnecessary and unduly burdensome submissions, while streamlining the renewal application process.

- **3772-4-01 (amendment)**, titled "Instructions for casino owner/operator/management company/holding company license application." This rule provides detailed instructions for these entities to follow during the application process. This rule is being amended for two substantive changes: (1) to remove a notification process the Commission is required to follow when a request is made for information marked by an applicant as protected from disclosure; and (2) to remove a requirement specifying what form an application must be submitted. Presently, the rule details the procedure by which the Commission must notify an applicant that a request for information that it marked as protected from disclosure has been made and if the Commission has decided to disclose the information. The Commission must already comply with R.C. 3772.16, the Casino Control Law confidentiality provision, and Ohio's Public Records laws. The purpose of deleting this provision is to remove a superfluous step in the public records process. Further, the rule currently requires all applicants to submit one electronic and three hardcopies of the application to the specific address of the Commission. The purpose of the second change is to provide the Commission with more flexibility to determine how exactly applications will be submitted.
- **3772-4-02 (amendment)**, titled "Information that must be provided." This amendment mostly provides for housekeeping changes and the "initial or new" addition before "applicant," discussed above. Presently, the rule specifies the information that must be provided to the Commission for the issuance of an operator license. The purpose of the amendment is to

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remove the unnecessary requirement that renewal applicants must submit a detailed plan describing the facility and the economic impact of the facility, among other details, which were submitted by the operator upon initial licensure.

- **3772-4-03 (amendment)**, titled “Facility plan.” This amendment again provides for the “initial or new” addition before “applicant,” discussed above. Presently, the rule requires all applicants to submit detailed facility plans, including a plan for completion of the facility, estimated start-up costs, and capitalization. The purpose of this rule is to remove these unnecessary requirements from renewal applicants.
- **3772-4-04 (amendment)**, titled “Other required information.” This amendment provides for housekeeping changes and the “initial or new” addition before “applicant,” discussed above. Presently, the rule requires applicants to submit their responsible gaming plan and human resources policies with their application. The amendment removes this requirement for renewal applicants. The purpose of this rule is to remove these unnecessary requirements from the renewal process—both of these policies are already on file and a part of the applicant’s internal controls.
- **3772-4-05 (amendment)**, titled “Casino operator, management company and holding company license application, license period and license renewal.” The amendment is a housekeeping amendment, which streamlines the rule’s language. Both before and after the amendment, the Commission requires operators, management companies, and holding companies to submit all information requested or required by the Commission. The purpose of this rule is to ensure the Commission has all the information needed to make an informed licensure decision.
- **3772-4-06 (amendment)**, titled “Application fees.” The amendment clarifies that the Commission can increase the application fee for both an initial and a renewal operator, management company, or holding company to the extent that actual costs of the licensure investigation exceeds those amounts. Further, the amendment clarifies that should the cost of the investigation exceed the application fee, the Commission shall not issue a license to the applicant until the additional amount has been paid, although the commission may continue its investigation. The purpose of this rule is to clarify the Commission’s authority to charge the entity the full cost of the licensure investigation, regardless of whether the license is an initial or renewal license, should that amount exceed the application fee. The amendment also provides greater clarity to how the Commission deals with applicants who exceed the application fee.
- **3772-4-07 (amendment)**, titled “License fees.” This rule sets the fees a licensee must pay upon licensure. The amendment adds a statutory cross reference that was not in existence when the rule was promulgated. The purpose of the amendment is to recognize that statutory language, which limits the ability of the Commission to set license fees by subjecting those amounts to review from the Joint Committee on Gaming and Wagering. The same amendment was made to Ohio Adm. Code 3772-4-06, which deals with application fees.

- **3772-4-08 (amendment)**, titled “Affirmative license standards.” This rule creates certain affirmative standards that a casino operator, management company, or holding company must meet before the Commission can grant the entity a license, including establishing the suitability of certain entities and persons by clear and convincing evidence. The purpose of this rule is to ensure the integrity of casino gaming by placing the burden of obtaining the privilege of a license on the entity and ensuring these entities all meet certain minimum standards. The changes to this rule are all general housekeeping changes, intended to clarify and streamline the rule’s language.
- **3772-4-09 (amendment)**, titled “Duty to update information.” The rule requires casino operators, management companies, and holding companies to update the Commission on information that would affect the entity’s suitability for licensure. The purpose of this rule is to ensure that the Commission is aware of all circumstances that may affect an entity’s suitability. The amendment to the rule largely clarifies and streamlines the rule’s language, including removing the terms “applicant” and “licensee” and using the type of entity instead, removing unnecessary burdens from these entities.
- **3772-4-11 (no change)**, titled “Computation of gross casino gaming revenue; assisting the tax commission.” This rule is not being amended. The rule requires casino operators to comply with the tax code and requests of the tax commissioner. The purpose of this rule is ensure that casino operators are complying with Ohio tax law.
- **3772-7-01 (amendment)**, titled “Insurance.” This rule requires casino operators, management companies, holding companies, and gaming-related vendors to obtain and maintain insurance, as required by the Commission. The purpose of this rule is to ensure all covered entities, and therefore the State of Ohio, are adequately protected from unexpected events. The amendment to the rule is largely housekeeping in nature, streamlining language and clarifying that fire and theft insurance should cover any property damage and damage from all crimes.
- **3772-17-01 (amendment)**, titled “Approval of third-party engineering and accounting firms.” This rule requires casino operators to engage third-party engineering or accounting firms to certify or attest to the cost of its initial investment. The purpose of this rule is to ensure that all operators are complying with their constitutional mandate. The only amendment to this rule is a housekeeping measure, removing “Ohio casino control” before “commission.” This change is being made throughout the chapter to streamline it.
- **3772-29-01 (amendment)**, titled “Debt Transactions.” This rule requires a casino operator to submit certain documentation to the Commission and to receive Commission approval before entering into a debt transaction in order to ensure that the debt transaction will not jeopardize the suitability of the licensee. The amendment to this rule removes a provision that unduly constrains how the Commission can discuss and approve a debt transaction. Further, the amendment removes a notification process the Commission is required to give when a request for information marked as protected is made—this same removal is being made in 3772-4-01.

All interested parties are invited to attend the hearing and present oral and/or written testimony.

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Written comments may also be submitted to the attention of Michelle Siba, Deputy General Counsel, Ohio Casino Control Commission, at 10 West Broad Street, 6th Floor, Columbus, Ohio 43215, or by electronic mail at michelle.siba@casinocontrol.ohio.gov.