

OHIO CASINO CONTROL COMMISSION

Mike DeWine
Governor



June E. Taylor
Chair

NOTICE OF PUBLIC HEARING

A public hearing will be held by the Ohio Casino Control Commission ("Commission") on **Wednesday, May 15, 2019, at 2:00 p.m.** at its main office, located at 100 E. Broad Street, 20th Floor, Columbus, OH 43215. The purpose of the hearing is to solicit public comment on the proposed amendments contained in rule package nos. 185614 and 185615, summaries of which are below.

All interested parties are invited to attend the hearing and present oral and/or written testimony. Written comments may also be submitted to the attention of Michelle Siba, Deputy General Counsel, Ohio Casino Control Commission, at 100 E. Broad Street, 20th Floor, Columbus, OH 43215, or by electronic mail at Michelle.Siba@casinocontrol.ohio.gov.

Rule Package No. 185614

This package contains rules subject to the five-year review for 2019. Ohio law mandates that agencies review all existing rules to determine if the rules would benefit from modification or repeal. The review must occur within five years of the rule's effective date. This batch includes rules that relate to casino surveillance systems, responsibilities of surveillance departments, and procedures governing the Commission's on-site surveillance rooms. Many of the changes are small housekeeping amendments to clean up and clarify rule language. One consistent change, a reflection of present practice, is codifying the Executive Director's approval authority throughout the rule, given that role's responsibility to administer casino gaming pursuant to R.C. 3772.06. This will allow for day-to-day casino operations to generally be more dynamic, without sacrificing regulatory oversight.

- **3772-10-02 (amendment)** – titled "Internal controls." This rule requires casino operators to submit internal control plans to the Commission. The amendments remove the requirement for internal controls governing surveillance because Ohio Adm.Code 3772-19 is so prescriptive as to not necessitate additional internal controls on the relevant matters. The amendments also delegate authority to the Executive Director to approve conditional licensing items.
- **3772-19-01 (amendment)** – titled "Minimum surveillance requirements." This rule describes the requirement for each casino operator to have a surveillance system that must operate with the Executive Director's approval. The amended rule bolsters the Commission's ability to ensure the integrity of casino gaming by giving the Commission the authority to conduct both testing and audits of a casino's surveillance system at any time. Because Ohio Adm.Code 3772-1-04 governs waivers granted by the Commission, there is no need to have a waiver provision specific to surveillance and, thus, it has been

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removed. The purpose of this amendment is to remove duplicative language or provisions articulated in another rule while clarifying a casino operator's responsibilities with respect to casino surveillance.

- **3772-19-02 (amendment)** – titled “Responsibilities of the surveillance department.” The amendments to this rule are intended to lessen the procedural onus placed upon casino operators to remain compliant with the rules adopted by the Commission, while maintaining the Commission’s ability to ensure the integrity of casino gaming. As the Commission slightly pivots to regulatory oversight primarily by audit rather than prospective review and approval, the amendments to this rule require that a casino operator’s surveillance plan be made available to the Commission, rather than it be submitted for approval prior to implementation. The amendments further clarify that a casino operator's interactive electronic floor plans must show the placement of all surveillance equipment in its facility as well as all the gaming equipment on its floor.
- **3772-19-03 (amendment)** – titled “Required surveillance system.” The purpose of this rule is to detail the baseline requirements for each casino's surveillance system, including video camera quality, video monitor capability, and image capturing utility. Substantively, the amendments provide the option for casino operators to operate a surveillance system that allows for remote access for authorized personnel according to the rule and in accordance with the requirements provided in Ohio Adm.Code 3772-10-15. The amendments further provide that a casino operator’s IT personnel may, for the purposes of maintenance and security, have access to surveillance system hardware and software. Finally, cameras no longer need to be installed in a manner that provides ambiguity of their direction and coverage capabilities, as this provision provided minimal regulatory benefits.
- **3772-19-04 (amendment)** – titled “Commission surveillance room and on-site facilities.” The purpose of the rule is to detail the minimum specifications for the Commission surveillance room, including workstation capabilities, telephone and internet communication systems, and how room location and size are to be determined. The amendments are primarily to safeguard the Commission’s ability to ensure the integrity of casino gaming, by providing the Commission with access to (including override access of) the surveillance system, which existed previously in a separate rule but is more appropriately placed here. The amendments are also intended to ensure the Commission’s surveillance room is equipped to facilitate secure remote access to its surveillance system, and that the Commission has absolute control over the provided surveillance equipment.
- **3772-19-05 (amendment)** – titled “Casino surveillance room.” The purpose of this rule is to detail minimum specifications for the casino surveillance room including location of the entrance, limits on access, and minimum surveillance room staff requirements. Pursuant to its five-year review, the amendments attempt to clarify language. Aligning with language changes in other rules, the amendment to the rule specifies it is the Executive Director that may increase the minimum casino surveillance room staffing, and it is the Executive Director and the Director of Surveillance who must authorize non-Commission personnel to enter the casino surveillance room.

- **3772-19-06 (amendment)** – titled “Surveillance department.” The purpose of the rule is to detail minimum operating requirements for each casino’s surveillance department, including the responsibilities of the Director of Surveillance, surveillance employee training, and permitted uses of surveillance resources. Other than replacing the term “Commission” with “Executive Director” throughout the rule, for the reasons articulated above, the only substantive change removes the minimum training requirements for surveillance employees because a similar, near redundant provision exists in Ohio Adm.Code 3772-10-03, rendering this provision unnecessary.
- **3772-19-07 (amendment)** – titled “Required surveillance coverage.” The amendments to this rule require all poker rooms to continue to be monitored and recorded by the surveillance system, just as table game areas are, but allows for a waiver of such surveillance requirements for player against player contests conducted outside of the designated, segregated poker room. Generally, the nature of those events do not require the level of scrutiny that standard table game or slot machine play does, which merits this reduction in surveillance coverage as long as a plan for otherwise sufficient coverage is provided to and approved by the Executive Director. Further, the amendments to this rule clarify it is the Executive Director who must approve all surveillance coverage at each casino facility and determine how the surveillance systems of casino facilities will monitor and record activity in non-gaming areas. The amendments also mandate that casino operators maintain and employ at least one secure room for detention purposes equipped with audio and video surveillance equipment capable of continuous monitoring and recording.
- **3772-19-08 (amendment)** – titled “Surveillance retention.” The amendments to this rule seek consistency of language with Ohio Adm.Code 3772-19-09, in particular ensuring paragraph (C) of this rule tracks the language in Ohio Adm.Code 3772-19-09(A). The only other substantive amendment removes a surveillance-specific retention rule because the general retention requirements in Ohio Adm. Code 3772-1-07 and 3772-10-05 already apply.
- **3772-19-09 (amendment)** – titled “Surveillance reports.” First, as described above, consistent language is sought between paragraph (A) and Ohio Adm.Code 3772-19-08(C). Second, while it appears that many of the surveillance log requirements were eliminated, these amendments merely reflect present practice in that this information is required to be tracked, reported, or otherwise memorialized in other fashions. As a consequence, much of this rule required items to be logged for the sake of being logged, which became redundant and tedious work, and shifted forces from actual surveillance. The amendments provide the Commission continuous access to surveillance reports without the reports needing to be stored in a manner that prevents alteration entirely because alterations may be necessary and are acceptable if tracked access is limited to surveillance and Commission employees.
- **3772-19-10 (amendment)** – titled “Maintenance and malfunctions.” The amendments to this rule are intended to clarify responsibilities during maintenance malfunctions. No substantive changes, other than those related to the insertion of “Executive Director” were

made. All remaining changes are merely to clarify and better articulate a casino operator's responsibilities under this rule.

Rule Package No. 185615

The amendments contained within these packages relate directly to the introduction of the new umbrella term “player against player contests,” which encompasses poker, poker tournaments, table games tournaments, and slot tournaments - wherein the only stake the casino operator has is a rake, which includes commissions and entry fees. Because of this new designation, the amendments seek to distinguish three separate items that require different levels of regulatory scrutiny: advertisements, promotions, and player against player contests. Of those three, player against player contests merit the most regulatory scrutiny but, by their very nature, still generally require less than standard table game or slot machine play. One additional consistent change, a reflection of present practice, is codifying the Executive Director's approval authority throughout the rules, given that role's responsibility to administer casino gaming pursuant to R.C. 3772.06. This will allow for day-to-day casino operations to generally be more dynamic, without sacrificing regulatory oversight.

- **3772-10-22 (amendment)** – titled “Tips and gratuities.” The amendment is intended to provide consistency with the new concept of player against player contests. Under this concept, poker is generally coupled with tournaments. Thus, the only amendment to this rule replaces the term poker with player against player contests, allowing for separate tips and gratuity procedures in the casino operators' internal controls for all those events.
- **3772-10-29 (rescind)** – titled “Slot machine tournaments.” Presently, this rule governs casino operators' conduct when running slot machine tournaments. Subject to the proffered amendments, this rule would be rescinded, and the new governing structure appears in the player against player contest rules found in Ohio Adm.Code Chapter 3772-14.
- **3772-11-01 (amendment)** – titled “Definitions.” Presently, this rule defines certain table game-related terms, applicable throughout the rules adopted by the Commission. The amendments move terms and definitions related to “promotions” to Ohio Adm.Code 3772-13-01 and specify that the Executive Director is delegated the authority to determine what a table game mechanism is, for the reasons noted above. Other amendments are largely intended to clarify and streamline rule language to align with rest of the amendments contained herein related to player against player contests.
- **3772-11-11 (amendment)** – titled “Chip specifications.” The amendments to this rule are designed to streamline language and ensure that all chips, value and non-value, used by casino operators meet the same casino facility identification specifications and are designed to prevent counterfeiting. The purpose of the rule is to specify the shape, size, and markings of all chips used in casino gaming.
- **3772-11-18 (rescind)** – titled “Tournament chips and tournaments.” This rule, currently governing tournament procedures and chips, would be rescinded. Subject to the proffered amendments, this rule would be rescinded, and the new governing structure appears in the player against player contest rules found in Ohio Adm.Code Chapter 3772-14.

- **3772-11-21 (amendment)** – titled “Dice and card receipt, storage, and use.” This rule prescribes the responsibilities of casino operators, and the appropriate procedures for the receipt, storage, and use of Commission-approved dice and cards. The only amendment would eliminate the requirement that casino operators change poker cards at least every thirty days. Other regulatory requirements, including the prohibition of use of flawed, tampered, or otherwise defective cards already ensure that risk is mitigated. The purpose of this amendment is to remove an arbitrary and sometimes wasteful mandate on casino operators; however, casino operators will still be required to have internal control procedures for changing out cards.
- **3772-11-25 (amendment)** – titled “Patron exchanges.” This rule governs patron exchanges of cash and chips at gaming tables. The amendment to this rule would delete a clause referencing procedures related to cash exchanges at poker tables, currently in Ohio Adm.Code 3772-11-25(A)(2). Poker, and the monetary controls related to poker and all player against player contests, will be governed under the new rule scheme governing player against player contests in Ohio Adm.Code Chapter 3772-14. The nature of player against player contests, including poker, and specifically the imprest tables, mitigates the risk that this rule otherwise seeks to protect against.
- **3772-11-35 (amendment)** – titled “Table game pit areas and supervision.” This rule regulates pit areas, staffing of table game supervisors, areas for full-size baccarat tables, and the separation of poker games into specified rooms or areas and the operations within. The amendments would rescind the two provisions that govern supervision of poker games and poker rooms. These two provisions are rearticulated under the new rule scheme governing player against player contests in Ohio Adm. Code Chapter 3772-14.
- **3772-11-42 (rescind)** – titled “Poker room transactions.” Presently, this rule regulates poker room transactions, including requirements regarding poker table banks and procedures for transfers and transportation of chips or cash between poker room table banks and poker room cashier’s cages. Subject to the proffered amendments, this rule would be rescinded, and the new governing structure appears in the player against player contest rules found in Ohio Adm.Code Chapter 3772-14.
- **3772-11-43 (rescind)** – titled “Poker room; poker promotional fund.” This rule governs how casino operators may operate a poker promotional fund. Subject to the proffered amendments, this rule would be rescinded, and the new governing structure appears in the player against player contest rules found in Ohio Adm.Code Chapter 3772-14.
- **3772-13-01 (amendment)** – titled “Definitions.” This rule defines certain terms related to advertisements and promotions. The amendments largely provide terms and definitions related to promotions, previously conceptualized in the definitions concerning table games in Ohio Adm.Code 3772-11-01, and further delineate and clarify the distinctions between advertisements and promotions.

- **3772-13-02 (amendment)** – titled “Advertisements.” Presently, this rule articulates the standards casino operators must meet when advertising to patrons, such as what may and may not be included in advertisements, what must be included in all casino gaming advertisements, and standards of practice for direct advertisements. The amendments to the rule are primarily stylistic edits for readability. Substantive amendments to this rule include prohibiting advertisements depicting individuals under the age of twenty-one, lessening the number of opt-out methods required to be displayed on each direct advertisement, and delegating the option to order a casino operator to cease public dissemination of an advertisement that fails to comply with the rules of this section to the Executive Director, for the reasons described above. All the amendments are intended to clarify the level of regulatory oversight necessary for advertisements, as opposed to promotions or player against player contests.
- **3772-13-03 (amendment)** – titled “Promotions.” Presently, this rule describes the requirements to which each casino operator must comply regarding promotions. Apart from formatting and stylistic edits, the amendments are intended to articulate the requirements for casino operators to have policies and procedures governing promotions, rather than the rule mandating casino operators submit such governing procedures to the Commission in their internal controls. One substantive change is that casino operators no longer must submit promotions to the Commission for approval prior to implementation. Rather, they must keep all written rules, as specified in this rule, available for Commission audit. This will allow the casino operators to operate with more flexibility while remaining subject the appropriate level of regulatory oversight for promotions, as opposed to advertisements or player against player contests.
- **3772-14-01 (new)** – titled “Player against player contests.” Presently, poker, poker tournaments, table game tournaments, and slot machine tournaments are primarily governed by separate administrative rules. To better articulate the Commission’s expectations and promote compliance, the appropriate level of scrutiny is best achieved by implementing one set of rules that govern all these activities. Once again, all those activities fall into the concept of player against player contests, wherein a casino operator has no stake other than a rake, which includes commissions and entry fees. This rule maintains provisions from previous rules designed as consumer protections and to help the Commission ensure the integrity of casino gaming, including requiring casino operators, except for events designated as perpetual, to record the names of all entrants, prizes awarded, and prize winners for each player against player contest. Like promotions, casino operators generally need not seek approval prior to conducting a player against player contests, if they use Commission-approved poker games, table game, or slot machines. Finally, player against player contests are not generally subject the electronic gaming equipment or table game rules (Ohio Adm.Code Chapters 3772-9 and -11), except for those specified in the rule and to the extent necessary to comply with the required use of Commission-approved equipment, unless otherwise approved by the Executive Director.
- **3772-14-02 (new)** – titled “Monetary controls for player against player contests.” This new rule unifies the provisions from Ohio Adm.Code 3772-10-19, 3772-11-18, 3772-11-42, and 3772-11-43, regarding monetary controls, into one section governing all player against

player contests. While intending to provide casino operators more flexibility and discretion in the business operations of such contests by removing the mandate that rules governing tournaments be included in a casino's internal controls; the rule is also designed to continue to ensure the integrity of casino gaming. This rule would sustain current rule mandates that casino operators have written procedures governing the collection of a rake and procedures for conducting transfers between all player against player contest banks and casino cages. Further the rule would still require that chips and cash be transported in a manner that allows surveillance to continuously observe their progress.

- **3772-14-03 (new)** – titled “Player against player contest progressive fund.” The rule creates the option for casino operators to create a player against player progressive fund. It replaces Ohio Adm.Code 3772-11-43. While each casino operator has the discretion to create their own procedures governing progressive funds, such procedures must be approved by the Executive Director, and they must include procedures articulating how funds will be collected and counted daily as well as how funds will be recorded and held. Lastly, this rule dictates that an updated, current balance in a progressive fund must be prominently displayed to reflect the amounts collected and distributed over the previous gaming day.