

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 October 20, 2021 at 2:00 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 190562, 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 William Cox, Senior Legal Counsel, Ohio Casino Control Commission, at 100 E. Broad Street, 20th Floor, Columbus, OH 43215, or by electronic mail at William.Cox@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 Chapters 3772-3 (Institutional Investors), -5 (Key Employee Licenses), -6 (Gaming-Related Vendor Licenses), and -8 (Casino Gaming Employee Licenses). Many of the revisions are meant to improve clarity or readability or to reduce redundancies in and between the Administrative and Revised Codes.

- **3772-3-01 (rescind)**, titled "Institutional investor." This rule reiterates the definition of institutional investor in R.C. 3772.01. It is being rescinded as unnecessary.
- **3772-3-01 (new)**, titled "Institutional investor suitability or qualification." This rule while "new" is comprised of the current provisions in 3772-3-02, with only minimal changes to that language. As such, the rule now provides the process by which an entity can be presumed to be suitable or qualified as an institutional investor, which involves the entity submitting documentation sufficient to establish qualifications as an institutional investor, a completed certification form, and submission of any other records required by the Commission. The purpose of this rule is to ensure that R.C. 3772.01-defined institutional investors are compliant with both that definition and the statutory suitability and qualification standards in R.C. 3772.10. The amendments to this rule are largely streamlining and meant to harmonize the rule language with the rest of the Commission's rules. Additionally, the certification form, which was an appendix to 3772-3-02 is being rescinded as it is unnecessary to put in rule, given it does not add substantive requirements beyond what is in statute or rule.
- **3772-3-02 (rescind)**, titled "Institutional investor suitability or qualification." This rule contained the process by which an entity can be presumed to be suitable or qualified as an

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institutional investor, and its substance has been moved to 3772-3-01, since the previous version of that rule was rescinded.

- **3772-3-02 (new)**, titled “Passive investor.” This rule while “new” is comprised of the current provisions in 3772-3-06, with only minimal changes to that language. This rule specifies that investors who fall below the institutional-investor ownership threshold may not exercise influence over the affairs of a licensed casino entity. Investors who do so will no longer be considered passive investors. The purpose of this rule is to ensure that passive investors are not actually engaged in or participating in the conduct of casino gaming without a license issued under R.C. Chapter 3772 and to comply with R.C. 3772.03(D)(27)’s requirement that the Commission adopt a rule on this point. The amendments are intended to streamline and update rule language to be more consistent with the rest of the rules.
- **3772-3-03 (amendment)**, titled “Duty to update information.” This rule specifies the circumstances under which an investor must notify the Commission of a change in certain information, including changes in percentage of ownership, name changes, non-routine gaming agency investigations, and administrative actions taken by gaming agencies against the investor. The purpose of this rule is to effectuate R.C. 3772.10’s mandate that all licensees and all other persons having a material involvement directly or indirectly with a casino operator, management company, or holding company continue to be qualified and suitable during the duration of any license. The amendment to this rule streamlines rule language and changes the notification period from fifteen days to ten days, to keep the requirement in line with all other casino gaming applicant and licensee duties to update.
- **3772-3-04 (amendment)**, titled “Rescission of designation as an institutional investor.” This rule specifies that an institutional investor’s designation as such may be rescinded if the investor intends to exercise influence over the affairs of the entity. The purpose of this rule is to enforce R.C. 3772.10(E), which requires this rescission to occur, and to ensure that institutional investors are not actually engaged in or participating in the conduct of casino gaming without the appropriate license issued under R.C. Chapter 3772. The amendment to this rule streamlines and updates the language.
- **3772-3-06 (rescind)**, titled “Passive investor.” The present version of the rule is being “rescinded” to move the rule’s language to Ohio Adm.Code 3772-3-02.
- **3772-5-01 (amendment)**, titled “Key employee license required.” This rule lists the positions for which a key employee license is required. The purpose of this rule is to ensure that those people who have the power to exercise significant influence over entities engaged in casino gaming are suitable to do so, through the Commission’s key employee licensure process, as required by R.C. 3772.01, 3772.03, 3772.09, 3772.10, and R.C. 3772.13. The amendment to this rule largely consists of streamlining changes to avoid repetition with the statute. Additionally, requirements related to a key employee’s credential have been moved from Ohio Adm.Code 3772-5-06 to this rule, as the rest of Ohio Adm.Code 3772-5-06 is being rescinded.

- **3772-5-02 (amendment)**, titled “Key employee license application, license period and provisional license.” This rule describes the key employee licensure process, including specifying that applicants must submit an application and provide the Commission with any requested information. Moreover, the rule reiterates that the license is good for three years and sets out the renewal and provisional licensure processes. The purpose of this rule is to ensure that key employees are appropriately investigated and found suitable through the Commission’s application and licensure process at least once every three years, as required by R.C. 3772.03, 3772.09, 3772.10, R.C. 3772.13, and R.C. 3772.15. The rule also institutes the R.C. 3772.03 mandatory rule on key employee provisional licenses. The amendment to this rule largely consists of streamlining and consistency changes, including removing certain requirements that already existed in other rules.
- **3772-5-03 (amendment)**, titled “Key employee fees.” This rule sets the key employee license application fee at \$2,000 and the license fee at \$500. The rule further clarifies under what circumstances entities engaged in casino gaming may pay the fee on behalf of the employee. The purpose of this rule is to set fees commensurate with the investigation and licensure costs that the Commission incurs during the licensing investigation, consistent and in accordance with R.C. 3772.03, 3772.15, and 3772.17. The amendment to this rule largely consists of streamlining changes, in addition to other small grammatical changes.
- **3772-5-04 (amendment)**, titled “Duty to update information.” This rule sets out the information that a key employee must update the Commission about should that information change, including changes of contact information, bankruptcies, and criminal charges or convictions, among others. The purpose of this rule is to effectuate R.C. 3772.10’s mandate that all licensees continue to be qualified and suitable during the duration of any license. The amendment to this rule largely consists of streamlining and consistency changes. The amendment also clarifies that the licensee must update the Commission on bankruptcy discharges or dismissals. This clarifies a current practice.
- **3772-5-05 (amendment)**, titled “Affirmative license standards.” This rule echoes many of the statutory requirements for licensure found in R.C. 3772.10, including the factors the Commission must consider in making a licensure determination and the requirement that the applicant establish their suitability by clear and convincing evidence. The purpose of this rule is to ensure that key employees are appropriately investigated and found suitable through the Commission’s licensure process, as required by R.C. 3772.10 and 3772.13. The amendment to this rule simply streamlines the language.
- **3772-5-06 (rescind)**, titled “Key employee temporary credential.” This rule specified that key employees must always display their credential issued by the Commission. The rule further provided for how a key employee may obtain a temporary credential. These provisions have been greatly simplified and moved into Ohio Adm.Code 3772-5-01(C), as amended in this package.
- **3772-6-01 (amendment)**, titled “Gaming-related vendor license.” This rule specifies who must obtain a gaming-related vendor license, largely by echoing the definition found in R.C. 3772.01. The purpose of this rule is to ensure that those entities engaged in providing

gaming-related goods or services are suitable to do so and subject to the applicable licensure requirements, in accordance with R.C. 3772.01, 3772.09, 3772.10, 3772.12, and 3772.121. The amendment to this rule updates and streamlines the language.

- **3772-6-02 (amendment)**, titled “Gaming-related vendor license application, license period, and license renewal.” This rule describes the gaming-related vendor licensure process and states that gaming-related vendors can apply by submitting the application and providing the Commission with any other requested information. The purpose of this rule is to ensure that those entities engaged in providing gaming-related goods or services are suitable to do so and subject to the applicable application and licensure requirements at least once every three years, in accordance with R.C. 3772.03, 3772.09, 3772.10, 3772.12, 3772.121, and 3772.15. The amendment to this rule largely consists of streamlining and consistency changes, including removing certain requirements that already existed in other rules.
- **3772-6-03 (amendment)**, titled “Gaming-related vendor fees.” This rule sets the gaming-related vendor license application fee at \$10,000 and the license fee at \$15,000. The amendment to this rule consists of small housekeeping changes. The purpose of this rule is to set fees commensurate with the investigation and licensure costs that the Commission incurs during the licensing investigation, consistent and in accordance with R.C. 3772.03, 3772.15, and 3772.17. The amendment is largely intended to streamline rule language, but it also adds a provision clarifying that gaming-related vendors must bear the costs of investigation, in accordance with R.C. 3772.15 and 3772.17.
- **3772-6-04 (amendment)**, titled “Duty to update information.” This rule sets out the information that a gaming-related vendor must update the Commission about should that information change, including changes of identifying information, bankruptcies, and criminal charges or convictions, among others. The purpose of this rule is to effectuate R.C. 3772.10’s mandate that all licensees continue to be qualified and suitable during the duration of any license. The amendment to this rule largely consists of streamlining and consistency changes. The amendment also clarifies that the licensee must update the Commission on bankruptcy discharges or dismissals. This clarifies a current practice.
- **3772-6-05 (amendment)**, titled “Affirmative license standards.” This rule echoes many of the statutory requirements for licensure found in R.C. 3772.10, including the factors the Commission must consider in making a licensure determination and the requirement that the applicant establish their suitability by clear and convincing evidence. The purpose of this rule is to ensure that gaming-related vendors are appropriately investigated and found suitable through the Commission’s licensure process, as required by R.C. 3772.10, R.C. 3772.12, 3772.121, including the requirement for minimum insurance coverage in R.C. 3772.03. The amendment to this rule is solely to streamline the language.
- **3772-8-01 (amendment)**, titled “Casino gaming employee license required.” This rule specifies those employees who do not meet the definition of a key employee but who must still obtain a license to engage in the conduct of casino gaming. The purpose of this rule is to ensure that all casino gaming employees, as defined in R.C. 3772.01 and 3772.131 are

suitable and eligible, through the Commission's licensure process, as required by R.C. 3772.01, 3772.03, 3772.09, 3772.10, and R.C. 3772.131. The amendment to this rule largely consists of streamlining changes, as well as codification of a present practice in ensuring all casino gaming employees who can access and edit information in casino gaming systems are explicitly listed as personnel needing a license. Additionally, requirements related to a casino gaming employee's credential have been moved from Ohio Adm.Code 3772-8-06 to this rule, as the rest of Ohio Adm.Code 3772-8-06 is being rescinded.

- **3772-8-02 (amendment)**, titled "Casino gaming employee license application, license period, and provisional license." This rule describes the casino gaming employee licensure process and states that casino gaming employees can apply by submitting the application and providing the Commission with any other requested information. The rule also provides for specifics as to when an entity engaged in casino gaming in Ohio may pay the application fee on behalf of the employee and specifies that the license expires after three years. The purpose of this rule is to ensure that those entities engaged in providing gaming-related goods or services are suitable to do so and are subject to the applicable application and licensure requirements at least once every three years, in accordance with R.C. 3772.03, 3772.09, 3772.10, 3772.12, and 3772.15. The rule also institutes the R.C. 3772.03 mandatory rule on casino gaming employee provisional licenses. The amendment to this rule largely consists of streamlining and consistency changes, including removing certain requirements that already existed in other rules.
- **3772-8-03 (amendment)**, titled "Casino gaming employee fees." This rule sets the initial or new casino gaming employee license application and license fees at \$250 each. For renewal applicants, the license application fee is set at \$100 and the license fee is \$50. The rule further clarifies under what circumstances entities engaged in casino gaming may pay the fee on behalf of the employee. The purpose of this rule is to set fees commensurate with the investigation and licensure costs that the Commission incurs during the licensing investigation, consistent and in accordance with R.C. 3772.03, 3772.15, and 3772.17. The amendment to this rule largely consists of streamlining changes noted above, in addition to other small grammatical changes.
- **3772-8-04 (amendment)**, titled "Duty to update information." This rule sets out the information that a casino gaming employee must update the Commission about should that information change, including changes of contact information, bankruptcies, and criminal charges or convictions, among others. The purpose of this rule is to effectuate R.C. 3772.10's mandate that all licensees continue to be qualified and suitable during the duration of any license. The amendment to this rule largely consists of streamlining and consistency changes. The amendment also clarifies that the licensee must update the Commission on bankruptcy discharges or dismissals. This clarifies a current practice.
- **3772-8-05 (amendment)**, titled "Affirmative license standards." This rule echoes many of the statutory requirements for licensure found in R.C. 3772.10, including the factors the Commission must consider in making a licensure determination and the requirement that the applicant establish their suitability by clear and convincing evidence. The purpose of

this rule is to ensure that casino gaming employees are appropriately investigated and found suitable through the Commission's licensure process, as required by R.C. 3772.10 and 3772.131. The amendment to this rule is simply to update the language.

- **3772-8-06 (rescind)**, titled "Casino gaming employee license temporary credential." This rule specified that casino gaming employees must always display their credential issued by the Commission. The rule further provided for how a casino gaming employee may obtain a temporary credential. These provisions have been greatly simplified and moved into Ohio Adm.Code 3772-8-01(C), as amended in this package.