

As Reported by the Senate Criminal Justice Committee

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Senators Obhof, Hughes

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A B I L L

To amend sections 3772.03 and 3772.99 of the Revised Code to create penalties related to casino gaming and transacting with a casino facility and to require the Casino Control Commission to include in its annual report to the General Assembly information regarding prosecutions for conduct that is subject to those penalties.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3772.03 and 3772.99 of the Revised Code be amended to read as follows:

Sec. 3772.03. (A) To ensure the integrity of casino gaming, the commission shall have authority to complete the functions of licensing, regulating, investigating, and penalizing casino operators, management companies, holding companies, key employees, casino gaming employees, and gaming-related vendors. The commission also shall have jurisdiction over all persons participating in casino gaming authorized by Section 6(C) of Article XV, Ohio Constitution, and this chapter.

(B) All rules adopted by the commission under this chapter shall be adopted under procedures established in Chapter 119. of the Revised Code. The commission may contract for the services of

experts and consultants to assist the commission in carrying out 21
its duties under this section. 22

(C) Within six months of September 10, 2010, the commission 23
shall adopt initial rules as are necessary for completing the 24
functions stated in division (A) of this section and for 25
addressing the subjects enumerated in division (D) of this 26
section. 27

(D) The commission shall adopt, and as advisable and 28
necessary shall amend or repeal, rules that include all of the 29
following: 30

(1) The prevention of practices detrimental to the public 31
interest; 32

(2) Prescribing the method of applying, and the form of 33
application, that an applicant for a license under this chapter 34
must follow as otherwise described in this chapter; 35

(3) Prescribing the information to be furnished by an 36
applicant or licensee as described in section 3772.11 of the 37
Revised Code; 38

(4) Describing the certification standards and duties of an 39
independent testing laboratory certified under section 3772.31 of 40
the Revised Code and the relationship between the commission, the 41
laboratory, the gaming-related vendor, and the casino operator; 42

(5) The minimum amount of insurance that must be maintained 43
by a casino operator, management company, holding company, or 44
gaming-related vendor; 45

(6) The approval process for a significant change in 46
ownership or transfer of control of a licensee as provided in 47
section 3772.091 of the Revised Code; 48

(7) The design of gaming supplies, devices, and equipment to 49
be distributed by gaming-related vendors; 50

(8) Identifying the casino gaming that is permitted, 51
identifying the gaming supplies, devices, and equipment, that are 52
permitted, defining the area in which the permitted casino gaming 53
may be conducted, and specifying the method of operation according 54
to which the permitted casino gaming is to be conducted as 55
provided in section 3772.20 of the Revised Code, and requiring 56
gaming devices and equipment to meet the standards of this state; 57

(9) Tournament play in any casino facility; 58

(10) Establishing and implementing a voluntary exclusion 59
program that provides all of the following: 60

(a) Except as provided by commission rule, a person who 61
participates in the program shall agree to refrain from entering a 62
casino facility. 63

(b) The name of a person participating in the program shall 64
be included on a list of persons excluded from all casino 65
facilities. 66

(c) Except as provided by commission rule, no person who 67
participates in the program shall petition the commission for 68
admittance into a casino facility. 69

(d) The list of persons participating in the program and the 70
personal information of those persons shall be confidential and 71
shall only be disseminated by the commission to a casino operator 72
and the agents and employees of the casino operator for purposes 73
of enforcement and to other entities, upon request of the 74
participant and agreement by the commission. 75

(e) A casino operator shall make all reasonable attempts as 76
determined by the commission to cease all direct marketing efforts 77
to a person participating in the program. 78

(f) A casino operator shall not cash the check of a person 79
participating in the program or extend credit to the person in any 80

manner. However, the program shall not exclude a casino operator 81
from seeking the payment of a debt accrued by a person before 82
participating in the program. 83

(g) Any and all locations at which a person may register as a 84
participant in the program shall be published. 85

(11) Requiring the commission to adopt standards regarding 86
the marketing materials of a licensed casino operator, including 87
allowing the commission to prohibit marketing materials that are 88
contrary to the adopted standards; 89

(12) Requiring that the records, including financial 90
statements, of any casino operator, management company, holding 91
company, and gaming-related vendor be maintained in the manner 92
prescribed by the commission and made available for inspection 93
upon demand by the commission, but shall be subject to section 94
3772.16 of the Revised Code; 95

(13) Permitting a licensed casino operator, management 96
company, key employee, or casino gaming employee to question a 97
person suspected of violating this chapter; 98

(14) The chips, tokens, tickets, electronic cards, or similar 99
objects that may be purchased by means of an agreement under which 100
credit is extended to a wagerer by a casino operator; 101

(15) Establishing standards for provisional key employee 102
licenses for a person who is required to be licensed as a key 103
employee and is in exigent circumstances and standards for 104
provisional licenses for casino gaming employees who submit 105
complete applications and are compliant under an instant 106
background check. A provisional license shall be valid not longer 107
than three months. A provisional license may be renewed one time, 108
at the commission's discretion, for an additional three months. In 109
establishing standards with regard to instant background checks 110
the commission shall take notice of criminal records checks as 111

they are conducted under section 311.41 of the Revised Code using	112
electronic fingerprint reading devices.	113
(16) Establishing approval procedures for third-party	114
engineering or accounting firms, as described in section 3772.09	115
of the Revised Code;	116
(17) Prescribing the manner in which winnings, compensation	117
from casino gaming, and gross revenue must be computed and	118
reported by a licensee as described in Chapter 5753. of the	119
Revised Code;	120
(18) Prescribing conditions under which a licensee's license	121
may be suspended or revoked as described in section 3772.04 of the	122
Revised Code;	123
(19) Prescribing the manner and procedure of all hearings to	124
be conducted by the commission or by any hearing examiner;	125
(20) Prescribing technical standards and requirements that	126
are to be met by security and surveillance equipment that is used	127
at and standards and requirements to be met by personnel who are	128
employed at casino facilities, and standards and requirements for	129
the provision of security at and surveillance of casino	130
facilities;	131
(21) Prescribing requirements for a casino operator to	132
provide unarmed security services at a casino facility by licensed	133
casino employees, and the training that shall be completed by	134
these employees;	135
(22) Prescribing standards according to which casino	136
operators shall keep accounts and standards according to which	137
casino accounts shall be audited, and establish means of assisting	138
the tax commissioner in levying and collecting the gross casino	139
revenue tax levied under section 5753.02 of the Revised Code;	140
(23) Defining penalties for violation of commission rules and	141

a process for imposing such penalties subject to the review of the	142
joint committee on gaming and wagering;	143
(24) Establishing standards for decertifying contractors that	144
violate statutes or rules of this state or the federal government;	145
(25) Establishing standards for the repair of casino gaming	146
equipment;	147
(26) Establishing procedures to ensure that casino operators,	148
management companies, and holding companies are compliant with the	149
compulsive and problem gambling plan submitted under section	150
3772.18 of the Revised Code;	151
(27) Prescribing, for institutional investors in or holding	152
companies of a casino operator, management company, holding	153
company, or gaming-related vendor that fall below the threshold	154
needed to be considered an institutional investor or a holding	155
company, standards regarding what any employees, members, or	156
owners of those investors or holding companies may do and shall	157
not do in relation to casino facilities and casino gaming in this	158
state, which standards shall rationally relate to the need to	159
proscribe conduct that is inconsistent with passive institutional	160
investment status;	161
(28) Providing for any other thing necessary and proper for	162
successful and efficient regulation of casino gaming under this	163
chapter.	164
(E) The commission shall employ and assign gaming agents as	165
necessary to assist the commission in carrying out the duties of	166
this chapter. In order to maintain employment as a gaming agent,	167
the gaming agent shall successfully complete all continuing	168
training programs required by the commission and shall not have	169
been convicted of or pleaded guilty or no contest to a	170
disqualifying offense as defined in section 3772.07 of the Revised	171
Code.	172

(F) The commission, as a law enforcement agency, and its gaming agents, as law enforcement officers as defined in section 2901.01 of the Revised Code, shall have authority with regard to the detection and investigation of, the seizure of evidence allegedly relating to, and the apprehension and arrest of persons allegedly committing gaming offenses, and shall have access to casino facilities to carry out the requirements of this chapter.

(G) The commission may eject or exclude or authorize the ejection or exclusion of and a gaming agent may eject a person from a casino facility for any of the following reasons:

(1) The person's name is on the list of persons voluntarily excluding themselves from all casinos in a program established according to rules adopted by the commission;

(2) The person violates or conspires to violate this chapter or a rule adopted thereunder; or

(3) The commission determines that the person's conduct or reputation is such that the person's presence within a casino facility may call into question the honesty and integrity of the casino gaming operations or interfere with the orderly conduct of the casino gaming operations.

(H) A person, other than a person participating in a voluntary exclusion program, may petition the commission for a public hearing on the person's ejection or exclusion under this chapter.

(I) A casino operator or management company shall have the same authority to eject or exclude a person from the management company's casino facilities as authorized in division (G) of this section. The licensee shall immediately notify the commission of an ejection or exclusion.

(J) The commission shall submit a written annual report with the governor, president and minority leader of the senate, speaker

and minority leader of the house of representatives, and joint 204
committee on gaming and wagering before the first day of September 205
each year. The annual report shall cover the previous fiscal year 206
and shall include a all of the following: 207

(1) A statement describing the receipts and disbursements of 208
the commission,~~relevant;~~ 209

(2) Relevant financial data regarding casino gaming, 210
including gross revenues and disbursements made under this 211
chapter,~~actions;~~ 212

(3) Actions taken by the commission,~~an;~~ 213

(4) An update on casino operators', management companies', 214
and holding companies' compulsive and problem gambling plans and 215
the voluntary exclusion program and list,~~and any;~~ 216

(5) Information regarding prosecutions for conduct described 217
in division (H) of section 3772.99 of the Revised Code, including, 218
but not limited to, the total number of prosecutions commenced and 219
the name of each person prosecuted; 220

(6) Any additional information that the commission considers 221
useful or that the governor, president or minority leader of the 222
senate, speaker or minority leader of the house of 223
representatives, or joint committee on gaming and wagering 224
requests. 225

(K) Notwithstanding any law to the contrary, beginning on 226
July 1, 2011, the commission shall assume jurisdiction over and 227
oversee the regulation of skill-based amusement machines as is 228
provided in the law of this state. 229

Sec. 3772.99. (A) The commission shall levy and collect 230
penalties for noncriminal violations of this chapter. Noncriminal 231
violations include using the term "casino" in any advertisement in 232
regard to a facility operating video lottery terminals, as defined 233

in section 3770.21 of the Revised Code, in this state. Moneys 234
collected from such penalty levies shall be credited to the 235
general revenue fund. 236

(B) If a licensed casino operator, management company, 237
holding company, gaming-related vendor, or key employee violates 238
this chapter or engages in a fraudulent act, the commission may 239
suspend or revoke the license and may do either or both of the 240
following: 241

(1) Suspend, revoke, or restrict the casino gaming operations 242
of a casino operator; 243

(2) Require the removal of a management company, key 244
employee, or discontinuance of services from a gaming-related 245
vendor. 246

(C) The commission shall impose civil penalties against a 247
person who violates this chapter under the penalties adopted by 248
commission rule and reviewed by the joint committee on gaming and 249
wagering. 250

(D) A person who knowingly or intentionally does any of the 251
following commits a misdemeanor of the first degree on the first 252
offense and a felony of the fifth degree for a subsequent offense: 253

(1) Makes a false statement on an application submitted under 254
this chapter; 255

(2) Permits a person less than twenty-one years of age to 256
make a wager at a casino facility; 257

(3) Aids, induces, or causes a person less than twenty-one 258
years of age who is not an employee of the casino gaming operation 259
to enter or attempt to enter a casino facility; 260

(4) Enters or attempts to enter a casino facility while under 261
twenty-one years of age, unless the person enters a designated 262
area as described in section 3772.24 of the Revised Code; 263

(5) Is a casino operator or employee and participates in	264
casino gaming other than as part of operation or employment.	265
(E) A person who knowingly or intentionally does any of the	266
following commits a felony of the fifth degree on a first offense	267
and a felony of the fourth degree for a subsequent offense. If the	268
person is a licensee under this chapter, the commission shall	269
revoke the person's license after the first offense.	270
(1) Uses or possesses with the intent to use a device to	271
assist in projecting the outcome of the casino game, keeping track	272
of the cards played, analyzing the probability of the occurrence	273
of an event relating to the casino game, or analyzing the strategy	274
for playing or betting to be used in the casino game, except as	275
permitted by the commission;	276
(2) Cheats at a casino game;	277
(3) Manufactures, sells, or distributes any cards, chips,	278
dice, game, or device that is intended to be used to violate this	279
chapter;	280
(4) Alters or misrepresents the outcome of a casino game on	281
which wagers have been made after the outcome is made sure but	282
before the outcome is revealed to the players;	283
(5) Places, increases, or decreases a wager on the outcome of	284
a casino game after acquiring knowledge that is not available to	285
all players and concerns the outcome of the casino game that is	286
the subject of the wager;	287
(6) Aids a person in acquiring the knowledge described in	288
division (E)(5) of this section for the purpose of placing,	289
increasing, or decreasing a wager contingent on the outcome of a	290
casino game;	291
(7) Claims, collects, takes, or attempts to claim, collect,	292
or take money or anything of value in or from a casino game with	293

the intent to defraud or without having made a wager contingent on winning a casino game;	294 295
(8) Claims, collects, or takes an amount of money or thing of value of greater value than the amount won in a casino game;	296 297
(9) Uses or possesses counterfeit chips, tokens, or cashless wagering instruments in or for use in a casino game;	298 299
(10) Possesses a key or device designed for opening, entering, or affecting the operation of a casino game, drop box, or an electronic or a mechanical device connected with the casino game or removing coins, tokens, chips, or other contents of a casino game. This division does not apply to a casino operator, management company, or gaming-related vendor or their agents and employees in the course of agency or employment.	300 301 302 303 304 305 306
(11) Possesses materials used to manufacture a device intended to be used in a manner that violates this chapter;	307 308
(12) Operates a casino gaming operation in which wagering is conducted or is to be conducted in a manner other than the manner required under this chapter.	309 310 311
(F) The possession of more than one of the devices described in division (E)(9), (10), or (11) of this section creates a rebuttable presumption that the possessor intended to use the devices for cheating.	312 313 314 315
(G) A person who knowingly or intentionally does any of the following commits a felony of the third degree. If the person is a licensee under this chapter, the commission shall revoke the person's license after the first offense. A public servant or party official who is convicted under this division is forever disqualified from holding any public office, employment, or position of trust in this state.	316 317 318 319 320 321 322
(1) Offers, promises, or gives anything of value or benefit	323

to a person who is connected with the casino operator, management 324
company, holding company, or gaming-related vendor, including 325
their officers and employees, under an agreement to influence or 326
with the intent to influence the actions of the person to whom the 327
offer, promise, or gift was made in order to affect or attempt to 328
affect the outcome of a casino game or an official action of a 329
commission member, agent, or employee; 330

(2) Solicits, accepts, or receives a promise of anything of 331
value or benefit while the person is connected with a casino, 332
including an officer or employee of a casino operator, management 333
company, or gaming-related vendor, under an agreement to influence 334
or with the intent to influence the actions of the person to 335
affect or attempt to affect the outcome of a casino game or an 336
official action of a commission member, agent, or employee; 337

(H) A person who knowingly or intentionally does any of the 338
following while participating in casino gaming or otherwise 339
transacting with a casino facility as permitted by Chapter 3772. 340
of the Revised Code commits a felony of the fifth degree on a 341
first offense and a felony of the fourth degree for a subsequent 342
offense: 343

(1) Causes or attempts to cause a casino facility to fail to 344
file a report required under 31 U.S.C. 5313(a) or 5325 or any 345
regulation prescribed thereunder or section 1315.53 of the Revised 346
Code, or to fail to file a report or maintain a record required by 347
an order issued under section 21 of the "Federal Deposit Insurance 348
Act" or section 123 of Pub. L. No. 91-508; 349

(2) Causes or attempts to cause a casino facility to file a 350
report required under 31 U.S.C. 5313(a) or 5325 or any regulation 351
prescribed thereunder or section 1315.53 of the Revised Code, to 352
file a report or to maintain a record required by any order issued 353
under 31 U.S.C. 5326, or to maintain a record required under any 354
regulation prescribed under section 21 of the "Federal Deposit 355

Insurance Act" or section 123 of Pub. L. No. 91-508 that contains 356
a material omission or misstatement of fact; 357

(3) With one or more casino facilities, structures a 358
transaction, is complicit in structuring a transaction, attempts 359
to structure a transaction, or is complicit in an attempt to 360
structure a transaction. 361

(I) A person who is convicted of a felony described in this 362
chapter may be barred for life from entering a casino facility by 363
the commission. 364

(J) As used in division (H) of this section: 365

(1) To be "complicit" means to engage in any conduct of a 366
type described in divisions (A)(1) to (4) of section 2923.03 of 367
the Revised Code. 368

(2) "Structure a transaction" has the same meaning as in 369
section 1315.51 of the Revised Code. 370

Section 2. That existing sections 3772.03 and 3772.99 of the 371
Revised Code are hereby repealed. 372