



# Ohio Legislative Service Commission

## Bill Analysis

Lynda J. Jacobsen

### **S.B. 170**

128th General Assembly  
(As Introduced)

**Sens.** Faber, Wagoner, Schaffer, Gibbs, Niehaus, Goodman

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## **BILL SUMMARY**

- Limits to \$500 the amount of political contributions that may be made by or accepted from the principals and key employees of an entity that is applying for a license or other authorization, or that is licensed or otherwise authorized, to operate video lottery terminal games in this state.
- Specifies that a principal or key employee who makes a contribution in excess of the \$500 limit, and a political entity that accepts a contribution in excess of the limit, must be fined three times the amount contributed or accepted in excess of the limit.
- Requires an entity applying for a license to operate video lottery terminals to file a list of principals and key employees with the Secretary of State and any applicable board of elections not later than 30 days after submitting the application.
- Requires an entity that is licensed to operate video lottery terminals to file a list of principals and key employees with the Secretary of State and the applicable board of elections not later than the first day in January and the first day in July of each year.

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## **CONTENT AND OPERATION**

### **Contribution limits, generally**

Continuing law establishes contribution limits generally applicable to candidates for statewide office, candidates for the office of member of the General Assembly, and various political entities. For example, individuals generally may contribute up to \$10,000 to a General Assembly candidate during a primary election period or a general election period. And, a General Assembly candidate's campaign committee is subject to a parallel \$10,000 limit on the amount that the campaign committee may accept. (R.C.

3517.102--*not in the bill.*) However, these contribution limits generally do not apply to candidates for office in counties or local political subdivisions.

In addition to the general campaign contribution limits, continuing law restricts a corporation or other business from being awarded public contracts, if an owner of the business makes contributions exceeding specified amounts to the public officer with ultimate responsibility for the award of the contract (R.C. 3517.13(I), (J), (Y), and (Z).)

**Contribution limits for specified employees and owners of entities seeking a license to operate, or licensed to operate, video lottery terminals**

The bill does not change the general campaign contribution limits or the limits on public contracting with political contributors. In addition to these current restrictions, the bill establishes new contribution limits applicable to owners and specified employees of entities that are applying for a license, or that are licensed, to operate video lottery terminals in Ohio.

The bill prohibits a principal<sup>1</sup> or a key employee<sup>2</sup> of an entity that is applying for a license or other authorization, or that is licensed or otherwise authorized, to operate video lottery terminal games in Ohio from making a contribution or contributions exceeding \$500 to a campaign committee, political action committee, political contributing entity, legislative campaign fund, political party, or person making disbursements to pay the direct costs of producing or airing electioneering communications in a primary election period or in a general election period. The bill similarly prohibits each of those political entities from accepting a contribution or

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<sup>1</sup> "Principal" means any of the following, with respect to an entity that is applying for a license or other authorization, or that is licensed or otherwise authorized, to operate video lottery terminal games in Ohio: an officer; a director; a person who directly holds a beneficial interest in or ownership of the securities of such an entity or has the ability to elect a majority of the board of directors of, or to otherwise control, such an entity; a lender, other than a bank or lending institution, that makes a loan or holds a mortgage or other lien of such an entity that is acquired in the ordinary course of business; an underwriter of such an entity; and any other individual or employee of such entity that the State Lottery Commission determines.

<sup>2</sup> "Key employee" means an individual who is employed in a director or department head capacity by an entity that is applying for a license or other authorization, or that is licensed or otherwise authorized, to operate video lottery terminal games in this state and who is empowered to make discretionary decisions that regulate video lottery terminal game operations, including the general manager and assistant manager of the facility, director of video lottery terminal game operations, director of cage or credit operations, director of surveillance, director of marketing, director of management information systems, director of security, comptroller, and any employee who supervises the operations of such departments or to whom such directors or department heads report. "Key employee" also includes any other positions designated by the State Lottery Commission based on analyses of a facility's job descriptions.

contributions exceeding \$500 in a primary election period or in a general election period from such a principal or a key employee. (R.C. 3517.13(AA)(1) and (2).)

A principal or key employee that makes a contribution in violation of the \$500 limit, and a political entity that accepts a contribution in excess of the limit, must be fined an amount equal to three times the amount contributed or accepted in excess of the \$500 limit (R.C. 3517.992(EE)).

The bill also requires each entity that is applying for a license or other authorization to operate video lottery terminal games in Ohio to file with the Secretary of State and, if the entity has a facility in this state, with the board of elections of the county in which the facility is located, a list of all principals and all key employees not later than thirty days after submitting the application. Each entity that is licensed or otherwise authorized to operate video lottery terminal games in Ohio must file with the Secretary of State and with the board of elections of the county in which the facility is located a list of all principals and all key employees not later than the first day of January and the first day of July of each year. (R.C. 3517.13(AA)(3).)

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## HISTORY

ACTION	DATE
Introduced	09-17-09

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