



Ohio Legislative Service Commission

Bill Analysis

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S.B. 140

131st General Assembly
(As Introduced)

Sens. Coley, Balderson, Burke, Peterson, Uecker

BILL SUMMARY

- Requires the Ohio Casino Control Commission and the State Lottery Commission to adopt rules to limit the amount of promotional gaming credits permitted at casinos and video lottery terminal facilities.
 - Permits promotional gaming credits at casinos and video lottery terminal facilities only under circumstances specified in the rules.
 - Permits the State Lottery Commission to allow video lottery sales agents to install enhanced video lottery terminals if the video lottery sales agent meets specified criteria.
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CONTENT AND OPERATION

Promotional gaming credits

Video lottery terminal facilities

The bill requires the State Lottery Commission to adopt rules that permit a licensed video lottery sales agent to provide not more than \$5 million in video lottery terminal promotional gaming credits per year to patrons for video lottery terminal gaming under circumstances specified in the rules. The rules must limit promotional gaming credits to licensed video lottery sales agents (1) that have at least 90% of the number of video lottery terminals permitted under the Commission's rules, currently not more than 2,500 (unless otherwise approved),¹ installed and operational at the facility and (2) that have video lottery terminal revenue of at least \$165,000,000 per year.

¹ O.A.C. 3770:2-6-01.

"Video lottery terminal revenue" means the total amount of money exchanged for credits played, minus video lottery terminal promotional gaming credits.

Additionally, the Commission can permit a video lottery sales agent that meets the specified criteria to install enhanced video lottery terminals. Enhanced video lottery terminals count toward the number of video lottery terminals permitted under the Commission's rules. "Enhanced video lottery terminal" means any electronic device approved by the Commission that provides immediate prize determinations for participants on an electronic display that is located at a video lottery terminal facility and that have displays that simulate card games, dice games, or roulette.

Under current law, a video lottery sales agent may provide promotional gaming credits to patrons for video lottery terminal gaming. The credits are subject to approval by the Director of the Commission.² Under continuing law, each video lottery sales agent receives a commission of 66.5%, which is calculated as a percentage of video lottery terminal income.³ "Video lottery terminal income" means credits played, minus approved video lottery terminal promotional gaming credits, minus video lottery prize awards.⁴

Casino facilities

Similarly, the bill requires the Ohio Casino Control Commission to adopt rules to permit a casino operator or management company to provide not more than \$5 million in promotional gaming credits to patrons per year under circumstances specified in the rules. The rules must limit promotional gaming credits to a casino facility (1) that has at least 4,500 slot machines or table game positions installed and operational at the facility and (2) that has casino revenue of at least \$330,000,000 per year. "Casino revenue" means the total amount of money exchanged for the purchase of chips, tokens, tickets, electronic cards, or similar objects by casino patrons, minus promotional gaming credits.⁵ "Promotional gaming credit" means a slot machine or table game credit, discount, or other similar item issued to a patron to enable the placement of, or increase in, a wager at a slot machine or table game as permitted in rules adopted by the Commission.⁶

² R.C. 3770.21(A)(4) and 3770.21(C).

³ O.A.C. 3770:2-3-08.

⁴ R.C. 3770.21(A)(3).

⁵ R.C. 3772.03(D)(28).

⁶ R.C. 3772.01(W).



Under current law, casino operators and management companies can provide promotional gaming credits to patrons. Promotional gaming credits are subject to Commission oversight.⁷ Under continuing law, a tax is levied on the gross casino revenue received by a casino operator at the rate of 33% of the casino operator's gross casino revenue. "Gross casino revenue" means the total amount of money exchanged for the purchase of chips, tokens, tickets, electronic cards, or similar objects by casino patrons, less winnings paid to wagerers and does not include the issuance to casino patrons or wagering by casino patrons of any promotional gaming credit.⁸

HISTORY

ACTION	DATE
Introduced	04-14-15

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⁷ R.C. 3772.23.

⁸ R.C. 5753.01, not in the bill.

