

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – May 19, 2021
Meeting Held Virtually – Microsoft Teams Live Event

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:15 a.m. by Chair June Taylor. Vice-Chair Jo Ann Davidson and Commissioners McKinley Brown, Lynn Slaby, and John Steinhauer were also in attendance. Commissioners Will Lucas and Ranjan Manoranjan had excused absences. The minutes of the April 21, 2021 meeting were approved following a motion by Commissioner Slaby and seconded by Commissioner Steinhauer.

Executive Director Matthew Schuler began his report with a budget overview by Rick Anthony, Deputy Executive Director and Director of Operations, for the month of April, the first month of the final quarter of the fiscal year. Mr. Anthony reported that generally the Commission's budget is on target for both revenue and expenses. The tax distribution received for the period of January through March was down slightly, which was attributed to the curfew measures put in place during those months. Casino revenue did appear to be strong in March and April of this year, and it remains to be seen how May will do with the upcoming holiday weekend. Vendor and key-employee fees were on target, due to operators making some operational changes that required new vendor licenses. Casino gaming fees will be below estimates for the year due to the pandemic closures and curfew, however, Mr. Anthony indicated an uptick in these fees was seen during April so the fees might come closer to estimates.

On the expense side, Mr. Anthony reported all categories were on target or below estimates. Mr. Anthony noted that Commission hearings remain suspended for both casino gaming and skill gaming, resulting in hearing expenses being below estimates. Hearings are anticipated to resume in the next quarter, which will result in a rise in those expenses next quarter. Supplies and maintenance costs remain down, but a rise in equipment costs will be seen next month due to the need to purchase new PCs. The Enforcement Fund expenses remained on target due to utilizing in-house training opportunities. Moving forward, increased expenses are expected as health orders are lifted and the Enforcement Division resumes illegal casino investigations.

Next, Mr. Schuler provided a legislative update, advising the Commissioners that SB 176 was introduced before the General Assembly establishing electronic instant bingo as a separate type of bingo and will be regulated in the same manner as instant bingo under the Attorney General's Charitable Law Section. The bill also legalizes and regulates sports gaming in Ohio through two separate channels: (1) a sports gaming lottery operated by the Ohio Lottery Commission, and (2) sports gaming agents licensed and regulated by the Commission to offer sports gaming online and at sports gaming facilities. The bill would require the Commission to license Sports Gaming Agents (SGAs), which could offer sports gaming under either a type-A online sports pool license or a type-B sports gaming brick-and-mortar facility license. Up to 20 type-A and 20 type-B licenses will be available. The SGAs would then be able to contract with an unlimited amount of Management Service Providers to provide online and mobile sports betting.

Additionally, the bill would also require vendors to obtain a Sports Gaming Supplier license. The standards for suitability to receive and hold a license will mirror those provided under the Casino Control law. The bill establishes a 10% tax rate for sports gaming. The Senate's Select Committee on Gaming has already begun to take voluminous testimony from interested parties in the industry. Mr. Schuler reported that the Commission would keep the Commissioners apprised of any new developments in the Senate bill, including any new information regarding work being done on this issue in the House of Representatives.

Mr. Schuler ended his report with an operational update regarding the lifting of COVID-19 public health orders and the Commission's return to work plan. Mr. Schuler indicated that Governor Mike DeWine announced that the public health orders would be lifted on June 2nd, and that state agencies would begin to transition from the requirement to work remotely beginning on July 6th. A proposed return to work plan will be required to be submitted from each agency to the Ohio Department of Administrative Services (DAS). Mr. Anthony will be working with staff and under guidance from DAS to put together a plan for submission. Lastly, Mr. Schuler reminded the Commissioners that the current temporary law allowing boards and commissions to meet online will expire on July 1st. Unless there is change to the law or an extension provided by the General Assembly to meet virtually, next month will be the final month the Commission will be able to meet virtually.

Anna Marin Russell, Director of Licensing and Investigations and Senior Legal Counsel, presented for consideration the gaming-related vendor license renewal application for NRT Technology Corp. (NRT Corp.) and the gaming-related vendor license initial application for NRT Technologies, Inc. (NRT Inc.). The Division of Licensing & Investigations completed suitability investigations of NRT Corp. and NRT Inc. and the associated key employees, which did not uncover any material derogatory information. Ms. Russell recommended approval of proposed Resolution 2021-17, renewing and granting the gaming-related vendor licenses, respectively. A motion to approve the Resolution was made by Commissioner Brown. The motion was seconded by Vice-Chair Davidson and approved.

Then, Ms. Russell presented for consideration 12 key-employee license applications. The Licensing & Investigations Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2021-18, renewing key-employee licenses to: Peter Carlino, Gaming and Leisure Properties, Inc.; David Handler, Penn National Gaming, Inc.; Brian Hopkins, Hollywood Casino Toledo; Michael Isaacs, Galaxy Gaming, Inc.; John Jacquemin, Penn National Gaming, Inc.; Bruce Loprete, Hollywood Casino Toledo; Saul Reibstein, Penn National Gaming, Inc.; Daniel Reinhard, JACK Cleveland Casino; Vincent Sadusky, International Game Technology PLC; Barbara Shattuck-Kohn, Penn National Gaming, Inc.; Michael Slaughter, The United States Playing Card Company; and Jay Snowden, Penn National Gaming, Inc. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Steinhauer and approved.

Andromeda Morrison, Director of Skill Games and Senior Legal Counsel, presented for consideration 36 skill-based amusement machine-related license applications. The Skill Games Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2021-19, granting skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Brown. The motion was seconded by Vice-Chair Davidson and approved.

William Cox, Senior Legal Counsel, presented for consideration administrative rules that were either approaching their R.C. 106.03 review date or were otherwise affected by rules with an impending review deadline. Mr. Cox explained that each administrative rule must be reviewed prior to its review date, and the Commission must consider, among other things, whether the rule is still necessary, must be amended, or conflicts with other rules. Next, Mr. Cox provided an overview of the administrative rules and requested approval to amend or rescind rules 3772-21-01 – -11, 3772-22-01, and 3772-23-01 – -06. In so doing, Mr. Cox reminded the Commissioners that upon this approval, staff will prepare and file a Business Impact Analysis and the rules with the Common Sense Initiative Office (CSIO). After CSIO review and authorization, staff will then proceed with filing the rules with the Joint Committee on Agency Rule Review (JCARR). After JCARR's jurisdiction ends, staff will seek approval for the final filing at a future public meeting. A motion to approve the initial filing was made by Commissioner Steinhauer. The motion was seconded by Commissioner Brown and approved.

Mr. Matthew Oyster, General Counsel and Chief Ethics Officer, presented to the Commission for consideration one casino gaming final order:


A final order regarding Azuree McGee (case #2020-LIC-001). Chair Taylor moved to revoke the casino gaming license for Azuree McGee. The motion was seconded by Vice-Chair Davidson and approved.

Ms. Morrison then presented for consideration one skill gaming final order:

A joint final order regarding NFA Wholesale (case #2020-SLIC-212) and Arthur Dowling (case #2020-SLIC-213). Chair Taylor moved to approve and adopt the Report and Recommendation without modifications to deny the Skill-Based Amusement Machine Type-C Operator and Key-Employee License Applications for NFA Wholesale and Arthur Dowling. The motion was seconded by Vice-Chair Davidson and approved.

There being no further business before the Commission, the meeting was adjourned.

Signed,



Lara B. Thomas
Commission Secretary
Approved: June 16, 2021