

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES

10:00 A.M. – March 16, 2022

JO ANN DAVIDSON HEARING ROOM

100 E. BROAD STREET, 20<sup>TH</sup> FLOOR

COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:06 a.m. by Chair June Taylor. Commissioners Will Lucas, Ranjan Manoranjan, Lynn Slaby, and John Steinhauer were also in attendance. Commissioner Brown had an excuse absence. The minutes of the February 16, 2022, meeting was approved following a motion by Chair Taylor and seconded by Commissioner Steinhauer.

Executive Director Matthew Schuler began his report announcing that March is National Problem Gambling Awareness month, in which numerous events are held to educate the public and increase awareness about problem gambling services. The 19<sup>th</sup> annual Problem Gambling Conference was held in-person this year in February. Mr. Schuler thanked Amanda Blackford, Director of Operations & Problem Gambling Services, and Derek Longmeier, Executive Director for Problem Gambling Network of Ohio for their work preparing for the conference. Tours of each casino and racino property were conducted to allow those in the prevention and treatment fields to meet with property staff and personnel from the Commission and Ohio Lottery to learn more about responsible gaming efforts and the Voluntary Exclusion Program. Mr. Schuler indicated that the Commission and its partners in Ohio for Responsible Gambling worked to develop new marketing materials for the “Get Set Before You Bet” campaign, which focuses on sports betting as well as Ohio’s Problem Gambling Helpline. The new toolkits will be used in social media and print ads and made available to local agencies for use in community outreach efforts throughout the state.

Next, Mr. Schuler indicated he would provide a sports gaming update later in the meeting during the rules presentation, and turned his report over to Rick Anthony, Deputy Executive Director, to provide a budget update. Mr. Anthony reported revenue came in above estimates again. Mr. Anthony explained that the miscellaneous revenue section showed an increase due to grant money received for a salary increase being provided to law enforcement Agents to pay for training costs. Expenses were noted to be on track, and Mr. Anthony reported the Ohio Office of Budget and Management had completed adjustments to the Commission’s appropriation funds to allow for statutory and contractual salary increases, and the hiring of additional personnel for the regulation of sports gaming. Enforcement Fund revenue and expenses were reported to be on track.

Mr. Schuler ended his report with introducing the newly added staff, Christina Bizios, Cory Brown, Rachael Hastings, and Sam Huynh to the Commission’s Licensing and Investigations, Problem Gambling Services, Skill Games, and Compliance Divisions.

Anna Marin Russell, Director of Licensing and Investigations and Senior Legal Counsel, presented to the Commission for consideration the gaming-related vendor license renewal application for Everi Payments Inc. (Everi) as well as the key employee license application for Kate Lowenhar-Fisher. The Division of Licensing & Investigations completed suitability investigations of Everi, which did not uncover any material derogatory information. The Division recommended approval of proposed Resolution 2022-06, renewing the gaming-related vendor and granting the key employee licenses. A motion to approve the Resolution was made by Commissioner Lucas. The motion was seconded by Commissioner Slaby and approved.

Next, Ms. Russell presented to the Commission for consideration seven 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 2022-10, granting or renewing, as applicable, key-employee licenses to: Haig Asenbauer, Novomatic AG; Marco Costaguta, De Agostini S.p.A; Barry Cottle, Scientific Games Corporation; Daniel Gladstone, Ainsworth Game Technology Limited; Yoshihiro Iuchi, Japan Cash Machine Co., Ltd.; Mark Ludski, Ainsworth Game Technology Limited; and Timothy Shortall, IGT. A motion to approve the Resolution was made by Commissioner Manoranjan. The motion was seconded by Commissioner Lucas and approved.

Berena Seifert, Manager of Skill Games, presented for consideration 18 initial and 13 renewal 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 2022-11, granting or renewing, as applicable, skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Steinhauer. The motion was seconded by Commissioner Slaby and approved.

Chelsea Castle, Audit Supervisor, presented to the Commission for consideration the three-year approval of RSM US LLP (RSM) as independent registered certified public accounting firms for the purpose of conducting financial statement and compliance audits for Ohio fantasy contest operators. Ms. Castle explained that pursuant to Ohio Adm.Code 3772-74-15, fantasy contest operators are required to undergo a financial audit each year and a compliance audit once each three-year licensure period. A motion to approve RSM was made by Commissioner Manoranjan. The motion was seconded by Commissioner Lucas and approved.

Next, Mr. Schuler, provided a sports gaming update. Mr. Schuler explained that the batch of rules that are being brought before the Commissioners for consideration contain rules for type A and B proprietor licensing. Mr. Schuler provided a recap of each of the sports gaming license types and their differences. Notably, Type A proprietor licenses (Type A license) are for online sports gaming conducted via computers and mobile applications, whereas Type B proprietor licenses (Type B license) are for brick-and-mortar facilities with betting windows and terminals. To qualify for a Type A license, the entity must

either operate a sports gaming facility under a Type B license or maintain at least one operational place of business in Ohio at which it regularly maintains multiple employees. There is a maximum of 25 Type A licenses that may be issued. To qualify for a Type B license, an entity must be a brick-and-mortar facility, located according to county population limits, and conduct significant economic activity in the county where the sportsbook is located. There is a maximum of 40 Type B licenses that may be issued. Lastly, to provide sportsbooks, Type A proprietors may partner with up to two Mobile Management Services Providers (MMSPs), and Type B proprietors may partner with one Management Services Provider (MSP). MMSPs and MSPs will also require licensure to contract with Type A and B proprietors.

Mr. Schuler reported that while House Bill 29 (HB 29), which legalizes sports betting in Ohio, requires that applicants for a Type B license conduct significant economic activity, the Bill does not define what “significant economic activity” constitutes. Instead, HB 29 provides several economic development factors in which all proprietor applicants must be evaluated. These factors include the current or intended physical presence including expenditures for physical infrastructure, the length of time the applicant has been doing business, the total amount of taxable income the applicant pays or will pay its employees, the applicant’s current or intended local and statewide economic involvement, and the applicant’s current or intended contributions including the promotion of tourism. Mr. Schuler indicated that Ohio’s sports betting Bill is unique from other jurisdictions, and no other state has focused on economic development as a specific requirement. Mr. Schuler explained that in addition to economic development factors, all applicants will be evaluated based on suitability factors, which include criminal history, bankruptcy history, reputation, experience, and financial integrity, tax compliance, business practice litigation history, insurance and surety bonds, compliance with gaming-related laws and regulations, and public confidence.

William Cox, Deputy General Counsel, reported that the first batch of rules have been filed and had no CSI comments. Mr. Cox indicated the second batch of rules is now ready to be initially approved and filed. The third batch of rules just ended its second round of public comment and are expected to be brought before the Commissioners for initial approval at the April 6<sup>th</sup> meeting. The fourth batch of rules was recently released on March 14<sup>th</sup> for a second round of public comment. Lastly, the fifth batch of rules was released for their first round of public comment on March 7<sup>th</sup>.

Then, Mr. Cox presented for consideration the second batch of new administrative rules to regulate sports gaming for initial filing. Mr. Cox explained that the second batch of rules are related to general licensing requirements, type A and B proprietor licensing, services provider licensing, general wagering provisions, and equipment. The rules use the procedural regulatory framework the Commission is accustomed to, combined with the substantive requirements of HB 29 and those that other jurisdictions have used to ensure the integrity of sports gaming. Next, Mr. Cox provided an overview of the administrative rules and requested approval to initially file the following new rules: Ohio Adm.Code 3775-4-01 — -03, 3775-4-05, 3775-4-06, 3775-9-01 — -03, 3775-11-01, and 3775-16-02. In so doing, Mr. Cox reminded the Commissioners that upon this approval, the rules and a Business Impact Analysis will

be filed with the Common Sense Initiative Office (CSIO). After CSIO review and authorization, the rules will then be filed with the Joint Committee on Agency Rule Review (JCARR). After JCARR's jurisdiction ends, the rules will be brought before the Commissioners again at a public meeting for final-filing approval. A motion to approve the initial filing was made by Commissioner Steinhauer. The motion was seconded by Commissioner Slaby and approved.

Next Ms. Morrison presented to the Commission for consideration two casino gaming final orders:

A final order regarding the denial of casino gaming employee license applications (case nos. #2021-LIC-022, -024, & -031). Chair Taylor moved to deny the casino gaming employee license applications for the cases listed in the final order. The motion was seconded by Commissioner Manoranjan and approved.

A final order regarding Engelica Lopez (case #2022-LIC-001). Chair Taylor moved to close the Casino Gaming Employee Renewal License Application for Engelica. The motion was seconded by Commissioner Lucas and approved.

Next, Ms. Morrison presented for consideration one skill games final order:

A final order regarding the denial of skill-based amusement machine license applications (case nos. # 2021-SLIC-056, 057, -096, -097 & 2022-SLIC-001 — -006, -009, -010, -013, -014, -021, & -022). Chair Taylor moved to deny the skill-based amusement machine license applications for the cases listed in the final order. The motion was seconded by Commissioner Slaby and approved.

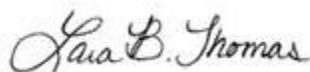
Next, Ms. Morrison presented for consideration two fantasy contest final orders:

A final order regarding Stratmish, LLC (case #2022-FLIC-001). Chair Taylor moved to deny the Fantasy Contest Operator License Application for Stratmish, LLC. The motion was seconded by Commissioner Manoranjan and approved.

A final order regarding Bid Ventures, Inc. (case #2022-FLIC-002). Chair Taylor moved to revoke the Fantasy Contest Operator License for Bid Ventures, Inc. The motion was seconded by Commissioner Lucas and approved.

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

Signed,



Lara B. Thomas

Commission Secretary

Approved: April 6, 2022