

*****DRAFT - NOT FOR FILING*****

3770:2-3-10 Video lottery licenses; settlement of video lottery ~~ticket game~~ sales, proceeds, control of video lottery and collection of revenues due the lottery.

- (A) Settlement cycles. The video lottery sales agent must will account for all video lottery ~~ticket game~~ sales proceeds and transfer ~~the those~~ proceeds ~~from their sale~~, less authorized deductions, to the lottery by means of procedures established by the director for the deposits of proceeds from video lottery game sales. The director may ~~prohibit~~ preclude a video lottery sales agent from ~~selling participating in~~ video lottery ~~games operations~~ if a video lottery sales agent has not fully accounted for video lottery ~~tickets game sales~~ proceeds sold.
- (B) Forms. The director will, in management regulations or directives, prescribe the forms for video lottery sales agents to use in connection with video lottery transactions.
- (C) Control of video lottery. Any establishment of video lottery sales agent agreements pertaining to the provision of video lottery terminals is for the benefit of the lottery. The commission retains the right to maintain and exercise control of video lottery operations at all times by any means necessary to ensure the security and efficient operation of the lottery. Equipment or supplies that are provided to or placed on the premises of a video lottery sales agent by the lottery remain the property of the state of Ohio.
- (D) Director's authority to collect video lottery sales revenues.
- (1) The director ~~shall will~~ collect the revenues received ~~from the sale of through~~ video lottery ~~games operations, and from by~~ video lottery sales agents, at intervals established by the director. The director ~~shall will~~ designate a day or days during any interval time period on which video lottery sales agents ~~shall will~~ be required to deposit to the credit of the lottery fund, in accounts which ~~shall will~~ be used exclusively for lottery-related transactions at lawfully designated banking institutions, all moneys due the lottery by such video lottery sales agents from the ~~sale operation~~ of video lottery games, less an amount retained as compensation for ~~the sale of conducting~~ such video lottery games. The director may further order that video lottery sales agents deduct the amounts they pay in authorized video lottery prize payments and any commissions or bonuses to which video lottery sales agents are entitled from the amounts received in gross video lottery game sales prior to their deposit in accounts.
- (2) The director may arrange for any banking institution to perform the functions and services necessary to collect the revenues received from the sale of video lottery games by video lottery sales agents, and may arrange the compensation for such performance as deemed necessary and advisable. The director may also rely on the treasurer of state to perform this function. The director ~~shall will~~ establish detailed record keeping and operating procedures to be followed by such banking institutions to carry out the purposes of the Lottery Act and lottery rules.
- (E) Penalties for non-transfer of funds. The director may impose penalties for the failure of a video lottery sales agent to transfer funds to the lottery in a timely manner. Penalties may include, but are not limited to, monetary penalties, modification of license, immediate suspension or revocation. The director may adopt internal management regulations elaborating on any terms regarding the collection of sales revenues due and owing from the video lottery sales agents.