



Ohio Administrative Code Rule 3770-2-02 Grounds for refusal of a license.

Effective: January 17, 2019

(A) Denial of license. If after a review of a lottery sales agent application and consideration of any other factors deemed relevant to the efficient and proper operation of lottery, the director determines that an applicant has not met the requirements for issuance of a lottery sales agent license, the director may deny the application, or may request that the application be revised and reviewed for further consideration.

(B) Grounds for refusal. In addition to the grounds for refusal to grant an applicant's request for a license in divisions (C)(1) to (C)(5), (D)(1) to (D)(3) and (E)(1) to (E)(2) of section 3770.05 of the Revised Code, and except as provided in paragraph (C) of this rule, in the event any of the following are determined by the director, an application for a lottery sales agent license may be denied:

(1) If any principal to be affiliated with the applicant is found to have committed any of the acts specified in divisions (C)(1) to (C)(5), (D)(1) to (D)(4) or (E)(1) to (E)(2) of section 3770.05 of the Revised Code;

(2) The applicant has made a fraudulent misrepresentation regarding a fact material to an application or has failed to disclose information regarding a fact material to an application.

(3) When it appears to the director that, due to the experience, character or general fitness of any principal to be affiliated with the applicant, the granting of a license would be inconsistent with the public interest, convenience or trust.

(C) Sealing of record. When an applicant, or in the event the applicant is a corporation, any of the corporation's directors, officers, or controlling shareholders, as well as any principal to be affiliated with the applicant, has been convicted of any of the acts specified in division (C)(1) to (C)(3), (C)(5), (E)(1), or (E)(2) of section 3770.05 of the Revised Code, the director may require the applicant to obtain an order from a court of competent jurisdiction to have the record of such offense sealed. If such an order is not obtained during the time specified by the director, the director



may deny the application. The foregoing notwithstanding, if the record of an applicant reveals an offense listed in divisions (C)(1) to (C)(3), (C)(5), (E)(1), or (E)(2) of section 3770.05 of the Revised Code which is at least ten years old, the director may disregard the offense.

(D) Other considerations. Before issuing any license, the director may consider the factors set out below. In considering these factors, the director may determine which applicants will best serve the economical and efficient operation of a statewide lottery through their game sales. If the facts with respect to a particular applicant, which are relevant to any of these factors, lead the director to determine that issuing a license of any classification to that applicant would not so promote the economical and efficient operation of a statewide lottery consonant with the public interest, or would not serve the public interest, convenience or trust, the director may refuse to issue a license to that applicant.

(1) The director may consider the financial responsibility and security of the applicant and the business or activity; the applicant's credit-worthiness and integrity in past financial transactions; and the physical security of the applicant's place of business, to determine if lottery games which are consigned to the applicant, and the proceeds from game sales, will be kept safe.

(2) The director may consider the accessibility of an applicant's place of business or activity to the public, including compliance with the requirements of The Americans with Disabilities Act of 1990 (ADA), Section 12101-12213 of 42 U.S.C. (as amended in 2008).

(3) The director may consider the sufficiency of existing agents to serve the public interest. An effort shall be made to maximize total game sales by recruiting and licensing sales agents under various classifications to licensure, as determined by the director, with the highest potential volume.

(4) The director may consider the volume of expected sales by the applicant so that licensing of the sales agent will be economically feasible.

(E) Right to hearing. When required to do so by the Administration Procedure Act, the director shall afford a hearing to an applicant affected by a decision to deny an application for a license. Such hearings shall be conducted by the director or a hearing examiner designated by the director and shall comply with the requirements for adjudication hearings set out in the Administrative Procedure



AUTHENTICATED,
OHIO LEGISLATIVE SERVICE
COMMISSION
DOCUMENT #313102

Act.