



## Ohio Administrative Code Rule 3770:3-8-02 Prize payment.

Effective: November 19, 2022

---

(A) A prize resulting from a type C sports gaming wager must be able to be validated promptly upon completion of the sports wagering event, by the type C sports gaming proprietor with which the wager was placed. The type C sports gaming proprietor will create a credit voucher for prizes that are below the reportable winnings amount set by 26 U.S.C. 6041, or a subsequent analogous section of the Internal Revenue Code, which can be redeemed by the player for cash or the monetary equivalent of cash. The type C sports gaming proprietor will create a claim voucher for prizes that meet or exceed the reportable winnings amount set by 26 U.S.C. 6041, or a subsequent analogous section of the Internal Revenue Code, which are subject to reporting, withholding, and intercept. All prize vouchers must be redeemed within one hundred eighty days of the completion of the sports gaming event.

(B) A type C sports gaming proprietor will allow its host location(s) to pay credit vouchers. A type C sports gaming proprietor may negotiate lower prize payment thresholds with the type C host. Such prizes will be paid in cash from the host's proceeds of their sports gaming sales, which will be reimbursed by the type C sports gaming proprietor.

(C) A type C sports gaming proprietor may allow for credit vouchers to be credited to the player's credit account, debit account, or an electronic payment account utilized to purchase the wager.

(D) A type C sports gaming proprietor will establish a procedure by which players can redeem any prize vouchers by mail.

(E) A type C sports gaming proprietor may offer electronic player prize payments with the approval of the director. The type C sports gaming proprietor must have procedures for ensuring sports gaming player accounts comply with the player identification standards established in rule 3775-16-03 of the Administrative Code and any other requirements of Chapters 3770. and 3775. of the Revised Code and the rules adopted thereunder.



(F) Subject to the approval of the director, a player may redeem prize vouchers at the lottery headquarters or at a regional office location of the lottery.

(G) A type C sports gaming proprietor may develop a system to allow for validation and payment of lottery sports gaming vouchers at any lottery sales agent or other approved cashing locations. The system must meet security and financial requirements as approved by the lottery and verified through an independent testing laboratory. Compensation for cashing may be negotiated and paid for by the type C sports gaming proprietor.

(H) The lottery will develop and offer an independent validation and cashing system that will be available to any type C sports gaming proprietor or approved cashing location. Compensation for cashing at an approved location will be negotiated and paid for by the type C sports gaming proprietor under the terms of their contract with the lottery.

(I) In connection with sports gaming prize winnings, credit vouchers, claim vouchers, and/or prize payments, the type C sports gaming proprietor must comply with all applicable laws regarding withholding of taxes, debts, obligations and reporting requirements. Compliance with the applicable laws may include, but is not limited to, submission of name, address, date of birth and social security number of prize winner prior to redemption of a claim voucher.

(J) A sports gaming prize winner's submission of name, address, date of birth and social security number must include authorization to the director and type C sports gaming proprietor to use said information for verification of debts or obligations owed and/or reporting requirements. By participating in sports gaming and/or by submitting a claim voucher to be paid, a sports gaming participant consents, agrees and authorizes access to and use of information submitted in connection with a prize payment claim for all necessary purposes under the Lottery Act by the director, and authorized representatives of the Ohio lottery commission, and the type C sports gaming proprietor.

(K) After any required withholding, unless otherwise specified by the director, payment and/or redemption of a valid prize voucher will be made by the type C sports gaming proprietor that issued the prize voucher.

(1) A prize voucher will be deemed valid provided that:



- (a) It is presented on paper or other media approved by the director;
  - (b) It contains all information necessary to process payment of the prize voucher and all such information is legible;
  - (c) It is not mutilated, altered, tampered with, or otherwise illegible;
  - (d) It has not previously been paid;
  - (e) It meets all other rules, regulations, policies, and directives adopted, promulgated or issued by the Ohio lottery commission or the director regarding valid sports gaming wagers and credit vouchers.
- (2) In the event that the type C sports gaming proprietor or the director makes a determination that a prize voucher is not subject to payment, the sports gaming participant presenting the prize voucher may submit a written request, on a form approved by the director, or the director's designee, for a reconstruction of the prize voucher by the type C sports gaming proprietor or the director and a written determination of the type C sports gaming proprietor's or the director's decision regarding the validity of the prize voucher. In regard to any such request submitted to a type C sports gaming proprietor, the director must be provided a copy of all such requests and must be provided with a copy of the type C sports gaming proprietor's written determination.
- (3) The director will have final authority to honor or declare a prize voucher void. If a prize voucher is declared void by the director, there will be no further liability to redeem or issue payment in connection with the voided prize voucher.
- (L) The state, the Ohio lottery commission, and its directors, commissioners, and employees will be discharged of any and all liability upon payment of a type C sports gaming prize, including, but not limited to, redemption and payment of a prize voucher.
- (M) The state, the Ohio lottery commission, and its directors, commissioners, and employees, will be discharged of any and all liability associated with a misplaced, stolen, lost, or otherwise missing prize voucher.