

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

**3770:2-3-04 Video lottery licenses; denial of license.**

- (A) Denial of license. If after a review of a video lottery sales agent application and consideration of any other factors deemed relevant to the efficient and proper operation of video lottery, the director determines that an applicant has not met the requirements for issuance of a video 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 video lottery license may be denied:
- (1) A determination that an applicant or person who will be involved in video lottery operations at the video lottery applicant's facility is affiliated with a technology provider engaged in the operation of video lottery in the state which has been determined by the director to be an unacceptable affiliation and a video lottery applicant or a person who will be involved in video lottery at the video lottery applicant's facility has refused to divest itself of the affiliation with the technology provider.
  - (2) A determination that an applicant has made a misrepresentation regarding a fact material to an application or has failed to disclose information regarding a fact material to an application.
  - (3) A determination that an applicant or person who will be involved in video lottery operations at the video lottery applicant's facility has been convicted of any criminal violation which as determined by the director may negatively impact the integrity of the lottery.
- (C) Sealing of record. The director may require a video lottery applicant, or any of the applicant's principals or any person who the director has determined should be subjected to a criminal background check that have been convicted of any of the offenses set forth in divisions (C)(1) to (C)(3), (C)(5), (E)(1), or (E)(2) of section 3770.05 of the Revised Code 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 video lottery application. If the record of an applicant, or any of its video lottery principals or any person who the director has determined should be subjected to a criminal background check 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 and may license the video lottery applicant.
- (D) Right to hearing. When required to do so by the Administrative Procedure Act, the director shall afford a hearing to a video lottery applicant affected by a decision to deny an application for a video lottery sales agent 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 Act.
- (E) Reapplication. If an application is denied, an applicant may reapply, but any subsequent application shall require submission of a new application and payment of a separate licensing fee, as applicable, and shall only be submitted after any waiting period for reapplication, if such a period has been established by the director, has expired.