



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 269
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 269's Bill Analysis](#)

Version: As Passed by the Senate

Primary Sponsor: Sen. Manning

Local Impact Statement Procedure Required: No

Jean J. Botomogno, Principal Economist

The bill authorizes the State Lottery Commission (LOT) to operate internet lottery games (also known as iLottery). If LOT would operate any iLottery program, the bill states the agency shall not include video lottery terminal games or iLottery versions of the following existing draw games: Pick 3, Pick 4, Pick 5, Rolling Cash Five, and Classic Lotto. iLottery would also not include certain casino-type games, or lottery sports gaming (which was authorized under H.B. 29 of the 134th General Assembly). The bill imposes a one-year moratorium on conducting statewide joint lottery games (Mega Millions and Powerball) as internet lottery gaming.

S.B. 269 requires LOT to pay each lottery sales agent an equal share of 3.5% of the total sale of tickets for internet lottery gaming in each calendar quarter. In addition, the bill requires lottery sales agents to receive a base commission rate increase of 0.25% more than the current base commission rate at the time of the bill's effective date in the first year of internet lottery gaming, and 0.5% thereafter. (Please note that LOT has variable commission and bonus rates for different types of retailers.)

A number of states offer iLottery. Preliminary research on such programs suggests that the bill would likely result in an increase in total sales and profits, if LOT implements a successful iLottery program. Such a result could increase revenue to the Lottery Profits Education Fund (Fund 7017), and via Fund 7017 to school districts statewide, but the magnitude is uncertain.

Generally, in other states' programs, prospective players register and sign up on a state-operated website to be able to play the games. Internet lottery games may be played on personal computers, mobile telephones, and other devices.