



Cleveland extends moratorium on Internet sweepstakes cafes

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By

CLEVELAND, Ohio -- Cleveland has extended a moratorium on new Internet sweepstakes cafes for six months with the hope the state will come up with regulations for the businesses.

The City Council voted, 18-1, Monday to stretch the moratorium through April.

The opposing vote was cast by Michael Polensek, who favors allowing the cafes and charging them fees that can generate money for the city.



Marvin Fong/The Plain Dealer

Amy Carroll plays an Internet sweepstakes game in Brook Park.

At the cafes, patrons buy Internet time and use points to play video slots and other games.

Ohio Attorney General Michael DeWine believes the games skirt state gambling law, but supporters say the fact that sweepstakes have a predetermined number of winners separates them from illegal games of chance. Republican State Reps. Marlene Anielski of Walton Hills and Nan Baker of Westlake introduced a bill in April that would provide for state licensing and regulation of "sweepstakes terminal devices."

Anielski said Tuesday that she is writing a substitute bill that will leave out other games, such as sweepstakes promotions at fast-food restaurants. She hopes to introduce the legislation in November and to see it voted on by the end of the year.

The bill would limit licenses to two per person and the number of machines to five per location, but Anielski called those restrictions starting points. She feels more strongly about keeping a provision that would allow communities to prohibit the games.

"It's the local government that should decide," said Anielski, formerly mayor of Walton Hills.

Cleveland imposed its moratorium a year ago, then approved a six-month extension in April.

While some Ohio communities have opted for moratoriums, others view the cafes as a new source of income, said attorney Christy Prince of Kegler Brown Hill & Ritter, a Columbus firm that specializes in gambling law.

"It's a different landscape county by county," Prince said. "There's not a lot of good guidance out there."

Polensek is among those who want to cash in. His Collinwood ward is home to two of the three cafes known to still operate in the city, and he said they have caused no problems.

"Why not just regulate them and make some money off them?" he said in an interview. "We have the lottery. We're going to have a casino downtown. But heaven forbid there should be any opportunity in the neighborhoods."

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