

Legal Connections



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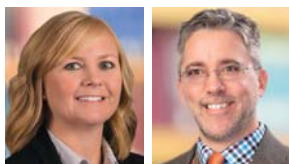
MARCH 2, 2018

MARCH BRINGS MADNESS TO THE WORKPLACE

Every March, employers face a significant challenge: the workplace distraction known as March Madness. Odds are someone in your workplace will organize an NCAA Tournament pool. According to ESPN and the American Gaming Association, in 2017 40 million people were expected to submit 70 million brackets, at an average of \$29 per bracket, bringing the total amount bet on March Madness to \$10.4 billion. Only about 3 percent of the wagered money is believed to be done legally.

Speaking of betting, we would be willing to bet that few companies have seriously considered the legality of NCAA Tournament pools in the workplace. While the likelihood of the FBI raiding your workplace over your March Madness pool is extremely small, it can happen. Here are a few pointers companies can consider to make it a safer bet:

First, companies should not sponsor or organize gambling opportunities. Your human resources department should definitely not be collecting entry fees or



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distributing brackets. Bettors can make bets, but the "house" may be liable for organizing an illegal gambling opportunity.

Second, if your company has offices in multiple states, prohibit interoffice pools. Gaming laws are both federal- and state-based. By avoiding the internet and multi-state participation, the company's liability is likely limited to state law. In Ohio, we can deduce that NCAA Tournament pools are probably illegal, but there is really no case law interpreting the (il)legality of office pools.

Third, prohibit employees from using the intranet or company-owned equipment to prepare and submit brackets.

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Fourth, the smaller the entry fee, the better. By keeping the entry fee to around \$5 to \$15, the gambling will likely be legally tolerable (all else being legally compliant).

Fifth, companies should ensure all of the money collected is awarded to the winner(s). Neither the company, nor any one individual organizing the pool, should skim anything from the top.

Of course, the safest bet is to prohibit workplace gambling entirely. Whatever stance your company takes on the office bracket pool, it is important to keep these rules of the game in mind. Good luck! ■

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MARCH MADNESS

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Source: ESPN and the American Gaming Association

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HOW TWO OHIO HOUSE BILLS COULD AFFECT BUSINESS OWNERS

The Ohio Legislature is considering two bills which would allow Ohio business owners more freedom in legal structure and day-to-day operations. The first, H.B. 545, would authorize the creation of benefit corporations, and the second, H.B. 263, would allow dogs on restaurant patios.



ALEXIS V. PRESKAR
Kohrman, Jackson, & Krantz, LLP

Public benefit corporations (B Corps) are "corporations created with a purpose of creating a general public benefit." Traditionally, if a corporation focuses on

creating a positive impact for the community to the detriment of shareholders, it can face liability. But since a B Corp explicitly writes a beneficial purpose into the articles of incorporation, the company can explore that purpose without the same shareholder risk. Ohio's proposed law does not impose a duty on B Corps to their beneficiaries, nor are they liable for any damages "for any failure to seek, achieve, or comply with any beneficial purpose of the benefit corporation." However, a B Corp may be subject to equitable remedies such as

specific performance for failing to seek or comply with their beneficial purpose. The beneficial purpose covers causes such as art, music, education, medicine and religion.

H.B. 263, allowing pups on patios, has been hotly debated (in the court of public opinion at least). While it may seem some restaurants already allow dogs on patios, it is currently a violation of the health code. Advocates of the bill cite the positive effect on businesses, pets and owners of allowing dogs on patios; namely, businesses can gain the patronage of animal lovers and

host adoption events for homeless pets. Opponents argue that allowing dogs on patios is unsanitary, unfair and unworkable for those with allergies, and could be dangerous if a dog is not properly controlled. The Franklin County Public Health Department and the Ohio Restaurant Association are in favor of the bill, though the Health Department has additional concerns including signage and waste disposal.

While these are seemingly minor issues, more options for business owners could be advantageous as Ohio continues to compete for businesses. ■

PR and Business Development

March 15 9:00am-12:15pm Columbus Bar

Instructed by proven professionals in the communications and business development fields

This event will teach you how web presence and online publishing can stimulate (or impede) business development, how to master "public relations," dealing with crisis communications, and the art (and science) of media interviews.

Registration:

Register for this class online at www.cbalaw.org or call (614) 221-4112.