



**Representative Kyle Koehler**  
**79<sup>th</sup> House District**

**House Bill 198 Sponsor Testimony**  
**House Government Accountability & Oversight Committee**  
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Chairman Blessing, Vice Chairman Reineke, Ranking Member Clyde, and members of the House Government Accountability and Oversight, thank you for allowing me to provide testimony on House Bill 198.

This past fall, around November or December, I started hearing reports from the Ohio Lottery Commission concerning an attempt to increase lottery revenue by allowing the use of credit card purchases by consumers in Ohio.

I have read a number of reports indicating that allowing the use of credit cards to increase lottery tickets would result in added revenue to our schools and the Ohio Lottery Commission. I am not here today in any attempt to tell you those figures aren't true or won't increase. In fact, I am quite sure they will.

But at what cost? The main reason for prohibiting the use of credit cards is that compulsive gamblers could accumulate unmanageable debt. More importantly, those in our state with the least amount of money will be able to gamble on credit and put themselves farther into dire fiscal straits. Studies show that many of the individuals who play the lottery are using monies they desperately need for things like food and rent.

Credit counselors warn that this is primarily an issue for people with poor financial self-control. "If you don't have enough cash to buy a lottery ticket, you shouldn't be paying with a credit card," says Bruce McClary, spokesman for the National Foundation for Credit Counseling. "Irresponsible use of credit can lead to unmanageable debt and the serious consequences that follow. Whether it is fueled by gambling or other factors, overspending is a serious problem that deserves immediate attention."

An investigation by the *Washington Post* found that the lotteries in Maryland, Virginia and the District of Columbia rely on "a hard core of heavy players, who, on average, have less education and lower incomes than the population as a whole, according to lottery documents and

data." Among the heavy players in Virginia, "one in six had household incomes of less than \$15,000, according to the lottery data." In Washington, data showed that "the city's most anemic lottery market lies west of Rock Creek Park in an area with the highest education and income levels and the thinnest concentration of minorities." In other words, it is not the wealthy that predominately play the lottery... it is the working poor.

I find it odd that we are actually talking about funding the education of our children by allowing Ohioans to purchase lottery tickets on credit. What kind of education are we providing to our young minds and what are we teaching them if we allow them to purchase lottery tickets on credit?

Gambling on *credit* will increase lottery proceeds...but it is simply the wrong way.

According to debt.org, Ohioans currently carry \$4,933 worth of credit card debt in Ohio. Last week I heard a conversation about balancing our budget with "imaginary money". Funding our schools on the backs of individuals who are running up their credit card balances is the essence of funding our schools on "imaginary money".

My legislation will NOT restrict a move to allow individuals to use debit cards (*money they have already earned*) but will codify a restriction that would not allow the use of credit cards.

Chairman Blessing and the Government Oversight and Accountability Committee, I do not doubt that allowing credit cards to buy lottery tickets will increase revenue to the Ohio Lottery Commission.... But it is a foolish mistake to do so. Thank you for the opportunity to testify to this important issue. I am happy to answer any questions you may have.