

SB 345 Sponsor Testimony
Senator Frank Hoagland and Senator Kirk Shuring
Senate Government Oversight & Reform Committee
November 18, 2020

Chairman Coley, Vice Chair Huffman, Ranking Minority Member Craig, thank you for allowing me to deliver sponsor testimony on behalf of Senator Schuring and myself on Senate Bill 345.

Senate Bill 345 will allow charitable organizations to conduct electronic instant bingo within their organizations. Most specifically, this legislation will have a direct impact on Veteran and fraternal organizations. We have been working closely with these organizations and with the Attorney General's office throughout this process.

Senate Bill 345 is a strict companion bill to House Bill 282- which you will also be hearing sponsor testimony on today.

Veteran and fraternal organizations in Ohio play a vital role in our communities. They provide a place of support and community for our returning warriors, and they support local charities that are so vital to people of this state. To name just a few examples, these organizations help homeless veterans pay for housing; they pay for furniture and appliances for families of active duty men and women who need a little help to make ends meet; they pay for burial costs of veterans and family members who can't afford it; they build decks and wheelchair ramps for disabled veterans, and they help fund veterans affairs claims agents who literally help bring hundreds of millions of dollars back to Ohio's Veterans in the way of federal grants.

For over forty years' Veterans and fraternal organizations have been permitted by the Ohio Constitution to raise funds to support their organizations and local charities through paper forms of bingo. However, as technology has improved and electronic gaming has become prevalent in Ohio, many of these organizations are struggling to survive with a diminished interest in paper forms of bingo. A number of posts in this state have been forced to close and many are in immediate danger of closing.

Last year, Veterans and fraternal organizations raised \$113 million charitable dollars, with nearly \$2.2 million per week going to hundreds of causes statewide, including direct support to Veterans and VA Medical Centers, food banks, blood drives, churches, disadvantaged youth programs, child welfare organizations, animal shelters, volunteer fire departments, non-profit daycares, and many others. These Veteran and fraternal organizations are vital to our communities. Passage of this legislation will give them the fundraising tools that they need to continue successful fundraising in their communities.

Let me be clear, SB 345 is not an expansion of gaming, it is a modernization.

Ohioans adopted an amendment to the state constitution in 1975 legalizing charitable bingo, long before technology made it possible to play electronically. Senate Bill 345 would simply allow Veterans and fraternal organizations to play the same forms of bingo they already play, but in a more modern, electronic format.

The bill does not allow simply anyone or any organization to start using these new devices. Only Licensed Charitable Organizations can use the devices. All organizations must be in good standing with the IRS in order to receive their gaming license.

Electronic gaming makes tracking of funds easier and more transparent. Attorney General David Yost strongly supports this legislation and has helped draft the language. The Attorney General would have regulatory authority over electronic instant bingo just as with other forms of charitable gaming. This would include the testing and certification of software, the licensing of vendors, and enforcement. We are also currently working with the AG's office on a few amendments to further tighten regulations.

Senate Bill 345 would give Veterans and fraternal organizations a legal, accountable, transparent, and charitable mechanism to continue raising funds and serving our local communities.

As I mentioned, Senate Bill 345 is a companion bill to the House version, HB 282. Senator Schuring and I support House Bill 282 as the vehicle for this legislation as it has already passed through the other chamber without any opposition. I encourage support of this legislation, and am happy to answer any questions at this time.