

Michael Rodgers
Director of Policy and Legislation
Ohio Attorney General's Office
May 26, 2021

Good afternoon Chairman Schuring, Vice Chair Manning, Ranking Member Thomas, and members of the Senate Select Committee on Gaming. My name is Mike Rodgers and I am the Director of Policy and Legislation for Attorney General Dave Yost.

I appreciate the opportunity to testify again before this committee—today as a proponent for Senate Bill 176. While SB 176 contains various provisions on sports wagering, iLottery, and charitable gaming; my testimony today focuses mainly on the charitable gaming aspects of the bill.

In the interest of time, I will not repeat my earlier testimony from February 23rd where I outlined the different types of charitable gaming, our office's support for an electronic bingo game, and the safeguards built into existing law that allows our office to effectively regulate these entities. Instead, I focus my testimony today on the sound public policy for charitable gaming contained in SB 176, and on an amendment our office is working on with the bill sponsors.

The current legislation follows previous legislative efforts which sought to modernize Type III bingo to allow this game to be played in an electronic format. We appreciate the bill sponsors' recognition of the efficacy of this earlier work by maintaining many of the same provisions in SB 176. The sponsors also wisely added several additional protections including:

- Language expanding the background checks and investigations required of bingo distributors and manufacturers;
- authority to take enhanced enforcement action against the entities to be licensed by our office for electronic bingo; and
- new rulemaking authority that will allow our office to potentially weed out bad actors through the use of an endorsement fee.

I appear today to offer our full support for these enhanced regulatory features, and to express our sincere appreciation to Senators Antani and Manning for their ongoing assistance on this important legislation.

In reviewing the provisions of SB 176, I did want to bring this committee's attention to one area we feel may require an amendment. As many of you know, the AGO is the foremost entity responsible for collecting unpaid taxes and debts owed to the state. Among the many tools provided in existing law are mechanisms that allow the state to withhold lottery or racino winnings above a certain threshold for players who owe a public debt. Indeed, we asked for and the administration included language in the as-introduced version of the budget to extend this authority to casino winnings, just like we have for racino and lottery winnings. Of course, should Ohio legalize sports betting, we want to make sure that these same rules apply to this new form of gaming as well. We are communicating with the sponsors on this issue and working with them on appropriate language to keep the application of this tool consistent across all forms of lottery and casino gaming.

Thank you again for giving me the opportunity to testify in support of SB 176. I would be happy to answer any questions at this time.