



Powerhouse Gaming

Testimony of Nathan Freels, Powerhouse Gaming Inc.
Interested Party - Substitute Senate Bill 176
Ohio Senate Select Committee on Gaming
June 10, 2021

Members of the Senate Select Committee on Gaming:

My name is Nathan Freels, and I am the owner of Powerhouse Gaming Inc a manufacturer of electronic instant bingo devices. I am offering this testimony in support of substitute bill SB 176 as it relates to the regulation of electronic instant bingo.

Powerhouse Gaming works with both charitable organizations and regulatory agencies to provide state of the art devices that strictly comply with the requirements of the jurisdictions in which we operate. We focus solely on regulated marketplaces that have governmental oversight and strict rules of operation to ensure the integrity of our products is never compromised.

Based on the restoration of charitable gaming evidenced within the jurisdictions where such products have been adopted, we feel that the steps you are taking to modernize charitable gaming will benefit the charitable gaming community within your state. The increased good works done by licensed charities funded through the operation of electronic instant bingo devices has been nothing short of miraculous.

While we agree and support all aspects of the regulatory oversight provided to the Attorney General we do have one suggestion that would enhance their enforcement abilities.

Sec. 2915.081. (F) (3) line 2165 and 2169

Sec. 2915.082. (E) (4) line 2318 and 2322

In both sections the Attorney General's discretionary power to determine who is; and who is not, eligible for licensure is being restricted by the use of the word "shall" rather than "may". This provides other state's regulatory agencies de facto power to determine (knowingly or not) if a manufacturer or distributor is to be prevented from obtaining or maintaining a license in Ohio.

In all forms of business there is a "check and balance" between business and governmental oversight and many jurisdictions utilize "Notice of Violations" and other such instruments to formalize any corrective action required by their licensees. This is also contemplated within this legislation wherein the Attorney General is provided the authority to place conditions on licensees for violations of the chapter. (line 2330).

If the bill is adopted as written, any routine enforcement action taken by any other state regulator, for any infraction at all, no matter how trivial, will result in the denial, suspension, or revocation of a license. This is akin to receiving a death sentence for a speeding ticket.

We urge you to empower the Attorney General to make the determination of suitability for the issuance and maintenance of licensure by manufacturers and distributors by changing "shall" to "may"

Respectfully,

Nathan Freels, President
Powerhouse Gaming, Inc.