



Testimony on iLottery to the Ohio House Finance Committee

HB298 Interested Party Testimony

Rob Wesley – Aristocrat Interactive


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Chairman Stewart, and members of the Ohio House Finance Committee, my name is Rob Wesley, and I am the Vice President of North American Customer Development at Aristocrat Interactive, the premier global platform and content provider for the regulated online gaming industry. In 2024, Aristocrat acquired NeoGames, the leading provider of iLottery solutions around the world, forming a new business division known collectively as Aristocrat Interactive. Over the past 10 years, NeoGames, and now Aristocrat Interactive, have helped shape the US iLottery landscape as the technology and content provider in the strongest performing states including Virginia, Michigan, New Hampshire, and North Carolina. I am here before you today as an interested party to encourage the Committee to include the authorization of iLottery in HB298.

Before joining NeoGames and Aristocrat Interactive, I worked at the Virginia Lottery for more than 25 years, most recently as the Deputy Executive Director of Lottery. In this role, I was responsible for building and leading the team that planned, launched, and operated the state's iLottery program. I saw firsthand the authorization of iLottery, the successful launch of an iLottery program, the many challenges we faced, the lessons learned, and most importantly, the benefits iLottery brings to the state, consumers, and retailers.

In this testimony, I plan to discuss the history of iLottery in Ohio, share the benefits of iLottery, and urge the legislature and Ohio Lottery to coordinate a path forward to authorize iLottery in the state of Ohio. In 2016, the Ohio Lottery commissioned a study¹ from Spectrum Gaming Group for the Ohio Department of Administrative Services which concluded that implementing online sales may help drive growth. In 2019, the Ohio Lottery Commission launched a competitive bidding procurement process and selected NeoGames and Pollard,

¹Spectrum Gaming Group, "Ohio Lottery: Identifying Opportunities, Generating Growth", September 2016.



as a joint bidder under “NeoPollard Interactive,” as the iLottery vendor. While NeoGames and Pollard were collectively prepared to begin the regulatory process and invest in resources to move forward as the iLottery provider, to date, the Controlling Board has not executed the contract. Following the 2016 Spectrum study, there have been various attempts to authorize iLottery in Ohio through legislation, including SB269 in 2023 and SB197 this session.

We appreciate Chairman Stewart's efforts and leadership on gaming issues. Aristocrat Interactive is supportive of iGaming, but we believe the committee should consider a more comprehensive approach. We respectfully recommend HB298 be amended to include the authorization of iLottery and to allow the Ohio Lottery to select an iLottery vendor through an open, transparent, and competitive procurement process. We believe a successful iLottery program could help the Ohio Lottery maximize revenues, build an omnichannel program that benefits retailers, innovate with new offerings, grow the player base while maintaining strong consumer protections, and more fairly compete with new gaming verticals.

Online lottery sales are currently authorized in 15 states and have been considered in several others during the 2025 legislative session, including Louisiana, Maryland, and New York. We continue to see a significant migration towards online options across all industries, and the lottery industry is no different. Based on our experience, we request that the following facts and perspectives be considered to best understand the potential benefits of iLottery for the State of Ohio:


1. Lottery profits can be directed to schools -

As the legislature considers revenue generating legislation and budget proposals, we believe modernizing existing gaming programs through the authorization of iLottery can help Ohio continue making strategic investments in critical areas like education and economic development by raising revenue without raising taxes.

The latest annual financial report² from the Ohio Lottery showed that in Fiscal Year 2024, the Lottery sent over \$1.5 Billion to Ohio schools. In an age of innovation, and as we have seen in other states, iLottery has the potential to support the growing cost of education.

² Ohio Lottery, “Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024”, October 2024.

³ Eilers & Krejci Gaming, “U.S. iLottery Tracker – 4Q24”, February 2025.



Fully implemented iLottery programs (in concert with continued support of retail programs) in states like Virginia, Michigan, New Hampshire, and North Carolina have contributed millions in incremental net revenue to good causes in their respective states. We recommend reaching out to public and lottery officials in those states to hear details of their successes and challenges. We also believe an iLottery program would be an important lift to Ohio Lottery profits and school funding. Timely passage of authorizing legislation is important to begin a multi-month process of due diligence, a competitive procurement process, an award, and then a project implementation program before the first ticket can be sold.

2. Potential to grow player base and achieve incremental lottery sales -

iLottery states can help increase retail engagement alongside their online platforms, due in large part to the successful omnichannel programs and new players. According to recent data³ from Eilers & Krejcik Gaming, gross sales increased 37% year over year in 2024 in 14 iLottery states. We acknowledge here today that retailers may be skeptical, but we look forward to collaborating with them to advance an iLottery program that is good for the state and helps the retailers continue to grow lottery sales and other components of their business that benefit from foot traffic.

3. Additional player safety with responsible play and consumer protection tools -

The online channel provides additional player safety with key consumer protection components such as age and identity verification, player spending limits, player session limits, and self-exclusion programs. Every state that has authorized iLottery has adopted a similar suite of responsible play protections to ensure that the online market uses technological advances to know its player base and provide additional mechanisms to protect them. The Ohio Lottery and other lotteries are known to have a focus on responsible gaming programs and this trend has expanded with the use of digital technologies.

4. Paperless, environmentally friendly with strong governance and cost efficiencies -

As the world looks for ways to reduce carbon emission and paper usage, these environmental benefits are also a reward of iLottery systems. In addition, a modern digital program may allow for more tools to provide strong governance and financial accountability.



5. Improved accessibility through modern technologies -

As we saw during the pandemic when many retail operations were forced to curtail their activity, the online option successfully filled the gap for players. Advanced iLottery solutions continue to benefit players who cannot access a retail point of sale for any given reason, be it health, mobility, or inclement weather.

6. Successful co-existence with other forms of authorized gaming -

Aristocrat Interactive has seen firsthand the ability for iLottery to successfully coexist with other forms of gaming. In fact, many states are beginning to introduce legislation to authorize both iLottery and iGaming together to capitalize on the opportunity to fully modernize their gaming market with proper digital controls.

As the state considers this issue, we encourage you to look to Virginia as a model as they are currently the highest performing iLottery state per capita since launching their iLottery program in 2020. According to publicly shared data⁴, just five years into their iLottery program, Virginia saw a record \$934.1 Million in proceeds, which represents a 43.8% increase over the pre-iLottery record of \$649.7 Million. For retailers, yearly retailer compensation increased by over 17% during the first five years of iLottery, reaching a record high of \$141.5 Million in Fiscal Year 2024. The returns in Virginia show just how impactful iLottery expansion can be for a state and its retailers.

In conclusion, there are a multitude of reasons to authorize iLottery. Aristocrat Interactive is hopeful that we can serve as a resource to this committee, the Ohio Legislature, and the Ohio Lottery on this timely and important matter. Thank you again for allowing us to submit our comments and for your consideration. We welcome the opportunity to meet in the future to discuss our views on iLottery in greater detail and can provide additional data from various iLottery programs throughout North America. Please feel free to contact my colleague Harper Stephens (Harper.Stephens@aristocrat.com) with any questions.

⁴ Based on "Virginia Lottery Revenue Distribution" Data: <https://www.valottery.com/playingmatters/givingback>