

Chairman Stewart, Vice Chairman Dovilla, Ranking Member Sweeney and Members of the House Finance Committee:

My name is Frank Fraas. I am the Executive Director of the Ohio Harness Horsemen's Association (OHHA). We represent over 3,700 members consisting of drivers, trainers, caretakers, owners, and fans.

Thank you for allowing me to provide Interested Party Testimony on House Bill 298. On behalf of our members, OHHA takes seriously any potential changes to the laws governing gaming in the state of Ohio. Since both SB197's and HB 298's introduction, we have reached out to our association counterparts in other states where iGaming is legalized and the feedback has been mixed regarding iGaming's impact on brick-and-mortar revenue shares.

What we do know is that in Ohio our current partnership with our permit holders has led to an explosive horse racing economy that delivers 2.7 billion dollars in annual economic activity around racing, supporting agriculture, and Ohio's county fairs. If the General Assembly decides to enact iGaming, then provisions should be added to ensure that Ohio's racing industry is protected from any potential iGaming related decline at physical VLT (Video Lottery Terminal) locations. This could be accomplished by requiring a study on the impact of iGaming on VLT revenue, and by ensuring that any expansion of gaming in the state includes the same requirements established when Ohio racetracks were first authorized to operate VLTs—specifically, the condition of sharing proceeds with Ohio's horsemen. We would respectfully ask that this body consider amendments that would create this study and provide horsemen with the same revenue percentage that we are currently receiving before moving the bill to a full house vote.

Our industry supports over 23,000 jobs which result in nearly one billion dollars of personal income. This personal income is not just for racing families, it includes farmers that provide feed and bedding for our amazing equine athletes, employees that work on these farms, truck drivers that move these goods to processing plants and to farms, the local gas station employee, truck mechanics, farm equipment dealers, and veterinarians. I could go on and on, but you see the big picture. It is more than just grooms, drivers, and trainers that will be affected.

Any decrease in the revenues derived from VLTs will also trickle down to the county fairs that have been a staple in Ohio for over 150 years. Ohio has the largest county fair racing program in the county. We race at 66 county and independent fairs. Harness racing provides a major draw to Ohio's county fair and brings in revenue to our rural communities. The revenue from VLTs is used to support the fairs via purses, feature race grants and capital improvement grants that help the local agricultural societies make improvements to their fairgrounds. Ohio's non-racing fairs also benefit as they receive funds to support their agricultural efforts.

Earlier this month I attended the Racing Commissioners International conference in Louisville. During the conference it was said that if you are in the standardbred industry, you need to be in Ohio. We cannot risk taking a step backwards. Please keep Ohio's racing and agricultural industries strong.

Thank you for your time. I am happy to answer any questions you might have.