

Testimony of Trevor Hayes
VP of Government Relations, Caesars Digital
Ohio Senate Select Committee on Gaming
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Good morning/afternoon Chairman Manning and committee members.

My name is Trevor Hayes. I am Vice President of Government Relations for Caesars Digital, the sports betting and iGaming division of Caesars Entertainment.

In Ohio, Caesars operates mobile sports betting through the Caesars Sportsbook app, is a partner with the Cleveland Cavaliers, as well as owns and operates El Dorado Scioto Downs, right here in Columbus. For 66 years, Scioto Downs has been one of the premier harness racing facilities in the nation.

We're excited about the recent return of live harness racing at Scioto Downs, which began May 8. Two years ago we opened our new state-of-the-art grandstand, VIP rooms, private balconies, and outdoor patio. We've also renovated the clubhouse and racetrack, and this year we opened a new paddock. Just a week ago, the Caesars Sportsbook app in Ohio began offering wagering on horse racing, including the ability to watch and bet on races at Scioto Downs. And in 2026, Scioto Downs will host the Breeders Crown, a world-class racing event.

Harness racing is a beautiful sport, and Caesars and Scioto Downs are committed to its growth and vitality in Ohio – and all the benefits associated with a thriving equine industry.

In addition to live and simulcast racing, we also offer video lottery machines, a sports book, live music, restaurants, meeting space,

and a Hampton Inn and Suites. We are proud to have created one of the Columbus area's top entertainment destinations.

Additionally, Caesars operates more than 50 casinos in 18 states, sports betting in more than 30 states, as well as iGaming in five states.

We support bringing iGaming to Ohio because our experience shows that regulated iGaming provides a significant new source of state tax revenue, provides consumers with a strictly regulated and fair gaming option, and protects vulnerable populations. It's also a vehicle to encourage casino and racino visits, enhancing customer experiences and improving brick-and-mortar gaming businesses.

If we did not believe that iGaming would enhance our brick and mortar businesses we would not support it. We realize there are studies that provide different perspectives on this topic. Some show a mild accretive impact on brick and mortar gaming, and some show a mild decline in the rate of brick and mortar gaming's growth. All of them show a significant net benefit to the state. Let me describe what we have seen within Caesars.

Our experience has been overwhelmingly positive. For example, in New Jersey we have found that our existing in-person customers, who have then tried our online products, have increased their casino visits by 55 percent, from 11.5 trips to 17.8 annually.

We have found that the online customers who visit casinos play nearly twice as much as in-person only customers. We have also found that customers who use both products make 25 percent more trips to the physical casino than the in-person-only customers.

How do we do this? Through omni-channel promotions that successfully drive digital players to our retail businesses. For example, we offer players rewards (such as free play, dining vouchers, and hotel discounts) for retail casino when they reach specific milestones in the online casino. Our Tier Match programs allow online casino players to match or elevate their loyalty status at the retail casino, incentivizing them to visit in person. And we provide access to exclusive tournaments, rooms, dining, VIP events, concerts for online players who qualify through gameplay. These are just a few of the tools at brick-and-mortar operators' disposal to use iGaming to drive retail business.

Those aren't iGaming's only benefits, of course. iGaming can also produce significantly more tax revenue than sports betting, simply because it appeals to a wider audience than sports betting. While operating in just seven states, iGaming in 2024 generated \$8.4 billion in consumer spending, compared to the 35 states where consumers spent \$13.8 billion on legal sports betting.

iGaming also creates in-state jobs. In our existing iGaming states we employ or hire vendors for licensing and compliance, technology and server administration, marketing and hosts, financial, legal, and training for our existing employees. Plus, we need dealers for live table games, which are among the most popular iGaming offerings.

As you have heard, this isn't a question of whether to allow iGaming within the borders of Ohio. It is here. Illegal offshore operators offer online products that are readily available and so-called sweepstakes companies are offering online gaming.

The question Ohio needs to consider is whether you want to make the online gaming experience safer for consumers, protect against fraud and money laundering, and at the same time generate new tax revenue.

Thank you for your time. Caesars is happy to serve as a resource to you going forward.