



**Testimony of Paul Wierbicki
Chief Legal Officer and Head of Government Affairs**

**Ohio Senate Select Committee on Gaming
Senate Bill (S.B.) 197
May 28, 2025**

Chairman Manning and Distinguished Members of the Senate Select Committee on Gaming,

My name is Paul Wierbicki, and I serve as the Chief Legal Officer and Head of Government Affairs for Rush Street Interactive (RSI). On behalf of RSI, I thank Chairman Manning for his leadership on Senate Bill 197 and the Committee for the opportunity to testify today.

RSI strongly supports the legalization of internet gaming in Ohio. A robust, economically competitive market in this State has the potential to become the largest in the nation, generating an estimated \$400–800 million annually in tax revenue based on industry forecasts. However, realizing this potential hinges on creating a truly economically competitive framework—specifically, one that allows for (1) more skins per licensee and (2) substantially lower licensing fees than currently proposed under S.B. 197 and a tax rate that is at least no different than that provided to land-based casino operators. As drafted, the Bill limits competition and imposes prohibitive economic barriers that risk excluding key operators and falling short of revenue expectations.

RSI: A Proven Leader in Internet Gaming, at Risk of Being Excluded

RSI is one of the top four internet gaming operators in the United States and a leader in North and Latin American markets. We operate internet gaming and sports betting in five countries and currently offer internet sports betting in Ohio under the "BetRivers" brand through a partnership with Hollywood Gaming at Dayton Raceway.

Founded in Chicago in 2012, RSI launched its first real-money internet gaming platform in New Jersey in 2016 and in Pennsylvania in 2019. We have grown organically by focusing on product innovation, superior user experience, and responsible, efficient marketing. Today, RSI operates internet gaming in five U.S. states—matching the reach of any competitor—including every one of Ohio’s neighboring states with regulated markets: Michigan, Pennsylvania, and West Virginia.

Unlike newer operators, RSI has prioritized strong partnerships with retail casinos. Originally part of the company that owns and operates “Rivers” casino properties in several states, RSI became a

standalone public company in 2020. We’ve maintained our commitment to retail collaboration, reflected in our player-facing brand, “BetRivers.” Our leadership team brings decades of experience in both retail and internet gaming, and we strongly believe that working hand-in-hand with retail operators is key to maximizing the benefits of legal internet gaming—for the State and industry alike.

We actively cross-sell, encouraging internet players to visit our retail partner casinos. We are consistently recognized for industry-leading customer service, operate exclusively in regulated markets, and are respected by regulators—Ohio included—for our compliance culture. Simply put, RSI is the type of operator Ohio should want in its internet gaming market. Yet under the current framework in S.B. 197, we may be left out due to limited market access and exorbitant entry costs.

A Proven Path: No State Has Achieved \$300MM+ in Taxes Without at Least 15 Skins

Ohio’s tax revenue projections mirror those of the largest internet gaming markets in the country. Yet none of those markets have achieved more than \$300 million in annual tax revenue with fewer than 15 active skins:

	CY 2024 Taxes (approx.)¹	CY 2024 Skins²
PA	\$450MM	21
MI	\$600MM	15
NJ	\$350MM	30

More skins foster a robust market, innovation, and player choice—especially critical given the diverse demographics of internet gaming. Unlike sports betting, which generally attracts younger male users, internet gaming appeals to a broader demographic including women and older players, thanks to its wide array of offerings such as slots, table games, and live dealer games.

Internet gaming platforms are not interchangeable. Each has distinct features—exclusive content, user interface, payment systems, customer support, promotional strategies, loyalty programs, and community elements—that shape user preference. As a result, players develop brand loyalty, and market share in leading states reflects that diversity: while the top five operators generally account for 75–80% of market share, the remaining 20–25% is distributed across 10–25 other sites. A lack

¹ Pennsylvania Gaming Control Board, Monthly Interactive Gaming Report, FY 2023-24, FY 2024-25; Michigan Gaming Control Board Press Release, 01/21/25, “Michigan iGaming, sports betting operators report \$264.2M in December revenue, \$2.9B total for 2024”; New Jersey Division of Gaming Enforcement Press Release, 01/16/25, “DGE Announces December 2024 Gaming Revenue Results.”

² As reported by Eilers & Krejcik.

of choice in Ohio (given its size and demographics) will suppress market breadth and revenue potential.³

The Proposed \$50 Million License Fee: A Barrier to Entry and Growth

The proposed \$50 million license fee is unprecedented—over five times higher than the next most expensive jurisdiction:

State	License Fee
CT	\$250K
MI	\$100K
NJ	\$400K
OH	\$50MM
PA	\$4-10MM
WV	\$250K

Such a fee drastically hinders operators’ ability to invest in player acquisition, marketing, and promotional activity—investments that are essential for growth. Acquiring a new internet gaming player typically costs operators hundreds of dollars and reaching profitability in new markets can take several years. A \$50 million upfront cost, especially when paired with high tax rates, is likely to render Ohio economically unviable, particularly, given that unlike land-based casino properties, internet gaming operators do not have a captive, local market of players living within reasonable driving distance from the property resulting in stable revenues, but instead face immediate, statewide competition.

Even more concerning, a prohibitive fee structure coupled with a high tax rate strengthens illegal, unregulated operators who face no such costs and can offer better odds, larger bonuses, and smoother onboarding. Regulated operators—constrained by high start-up costs—may not be able to compete effectively, thereby undermining the State’s effort to transition players into the legal market.

Conclusion: A Call for a More Inclusive and Sustainable Framework

RSI supports the legalization of internet gaming in Ohio and commends the Committee’s initiative. However, we urge you to revise the framework in S.B. 197 to better reflect the conditions necessary for success:

- Expand the number of skins to ensure market diversity and consumer choice.
- Lower the licensing fee to align with other successful states and encourage investment and growth.

³ In smaller markets, one or a few operators may effectively reach players. But in large markets, like Ohio, to generate \$300+million in annual tax revenue, a larger number of operators is required.

- Charge internet gaming operators no higher than the tax rate on the same terms as land-based properties.

These changes will foster an economically robust market, attract reputable operators like RSI, and allow Ohio to realize its full economic and social potential from legalized internet gaming. A thoughtful, inclusive market structure will maximize tax revenue, displace illegal operators, and reinforce collaboration between the State, retail casino stakeholders, and responsible digital gaming companies.

We appreciate the opportunity to share our perspective and look forward to continuing this dialogue to help shape a thriving internet gaming future for Ohio.

Thank you.