

**House Finance Committee**  
**Chairman Scott Oelslager & Ranking Member Jack Cera**  
**Wednesday, May 27, 2020**  
**HB 194 – Sports Gaming @ Casinos, Racinos & Fraternal Clubs**  
**Opponent Testimony by**  
**David P. Corey, Executive VP – Bowling Centers Association of Ohio**

Chairman Oelslager, Vice Chairman Scherer, Ranking Member Cera & House Finance Committee Members, thank you for this opportunity to speak with you regarding gaming and specifically sports gaming as proposed in HB 194. As mentioned, my name is David Corey, the Executive Vice President of the Bowling Centers Association of Ohio. BCAO consists of 150 of the 225 bowling centers in the state of Ohio, and we represent approximately 5,000 Bowling Center employees.

For those new members of the General Assembly, our efforts to be included in Ohio's gaming programs started back in 1995. In March of 2010 and in December of 2011 - we testified as interested parties on bills that allowed VLTs at Ohio's Racetracks. During those hearings, we suggested (and implored you) that if Ohio expanded gaming, that Ohio's beleaguered small hospitality businesses be part of any expansion plans. So, fast forward 25 years and what has happened? Four casinos monopolize slot machines and table games. Seven horseracing tracks have a monopoly on VLTs and 600 fraternal & veteran organizations have electronic charity raffle devices. All are very lucrative and are thriving.

As you probably remember, we testified on May 30, 2019 on this bill and respectfully requested that the bill be amended to include Bowling Centers to offer sports betting on Ohio Lottery Kiosks. But, much has changed since last year and now, more than ever, Ohio's small businesses need the Legislature to allow for Sports Betting through Lottery Kiosks in Bowling Centers.

As small Ohio hospitality businesses struggle to reopen amid the COVID-19 pandemic, the last thing we need is for the General Assembly to pass a measure that makes it more difficult for us to compete to attract customers inside our facilities.

We're already swimming upstream in getting our patrons to once again visit our locations. To have you not allow us to offer another form of entertainment inside our establishments is really another slap in the face that is very disappointing. Many of you sit on the House Economic Recovery Task Force and have heard first hand what COVID-19 has done to Ohio's small businesses. We trust you will agree that times have changed since we last were able to have a discussion with you on HB 194. Small businesses need help in attracting customers to our locations and the state needs as much revenue as possible to offset the looming budget shortfall. We're perplexed by why the legislature would want to handcuff the Lottery by prohibiting Sports Betting on their Kiosks in Bowling Centers when everyone needs to rethink what's best for all involved?

Bowling Centers have some of the highest grossing lottery KENO locations in the entire state that we have managed very responsibly and safely for years. As we stated last year, we are a little confused - If you are going to allow mobile sports betting, it doesn't seem very consistent to exclude current lottery brick and mortar retail locations? Bowling Centers will now, more than ever, be at a competitive disadvantage with casinos, racinos and fraternal clubs that have already siphoned many of our customers away and ultimately hurt Ohio's small businesses.

After re-reading the bill over the weekend numerous times, we also have questions regarding how it will actually work in practice as the only entities that can be "Sports Betting Agents" are casinos and racinos and they are the only ones that can place kiosk. So, the way we read it, not even the Lottery is considered a Sports Agent. So we are wondering how fraternal clubs will ever get kiosks, since the casinos and racinos control where they are located? It seems as if HB 194 was not only written FOR the casinos and racinos, but it was also written BY them – it's by far the richest Sports Betting bill in America in favor of the casinos and racinos. They already have a monopoly in Ohio's Constitution, but we are also going to give them a monopoly on Sports Betting through HB 194? Maybe this has been changed in an amendment, we're not sure, but it seems like you may want to definitely revisit it.

We realize sports betting will not be a big direct money maker for our Bowling Centers. But our goal is to attract and keep our patrons “in their seats”. So they buy that extra pop, beer, pizza or sandwich and maybe even bowl a couple more games. We think you can all agree that Ohio’s hospitality industry, especially in the wake of COVID-19, needs every product partner possible in order to avoid further economic decay. And, by allowing Sports Betting on Lottery Kiosks in Bowling Centers, it would send a strong message that you actually do care about small businesses in the entertainment sector of Ohio’s economy.

We’ve already displayed that we are good, solid and successful Lottery partners. If sports betting at lottery retailers who offer KENO have the same financial parameters as KENO, we know it can be successful with minimal issues. As we stated last year, let the Big Boys take the Big Bets and cater to the major gamblers – let us take care of the local casual bettor like we currently do with KENO...and let Ohio’s school children reap the financial rewards that will be better materialized by allowing us to participate.

The bottom line for Ohio’s Hospitality community is this – if not NOW, and if not sports betting, then what and when will the legislature authorize Ohio’s primarily family-owned small businesses to be able to participate in Ohio’s huge gambling pie? The Big Boys don’t want us to ever have a piece of the pie, let alone the small piece that we are requesting in HB 194. They also take pleasure in making this much more confusing than it is in order to keep their monopoly on everything related to gaming in Ohio. Again, our track record on KENO dismisses those arguments, especially since we’ve been so successful in operating KENO for years.

In conclusion, the world has changed since COVID-19. We urge you to include us so as to not create an additional impediment to any chance of an economic recovery. This time around we truly hope you will do the right thing by Ohio’s small business community.

As always, thank you for your time and I’d be happy to answer any questions you may have at this time.