

Ohio lawmakers unveil second bill to legalize online gambling in the state

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COLUMBUS, Ohio—A week after an Ohio Senate Republican filed legislation to legalize online gambling in Ohio, a pair of House Republicans on Tuesday unveiled a separate, more limited proposal.

Under [House Bill 298](#), operators of Ohio's four casinos and seven racinos would each be allowed to offer internet gambling on virtual slot machines and table games, such as poker, craps, and roulette.

[Unlike Senate Bill 197, introduced last week](#), the new House bill would not – at least as currently written – permit online Ohio Lottery games, nor would it legalize internet betting on horse racing.

Either bill, if passed, is expected to bring in several hundred million dollars per year in additional state tax revenue, both from eight-figure licensing fees and a hefty tax on the operators' gross receipts.

HB298's tax rate on internet gambling companies would be 28%; [SB197](#)'s tax rate would be 36% but would rise to 40% if casinos/racinos contract with a management company to run their online gaming operation.

Neither bill currently specifies how all that new state revenue would be spent, other than to specify that 1% of the money would go the state's initiative to address problem gambling.

However, state lawmakers have discussed the idea of putting the remaining revenue to further cut the state income tax, and/or using some of the money to provide \$600 million toward a new Cleveland Browns stadium in suburban Brook Park.

Republican state Reps. Brian Stewart of Pickaway County and Marilyn John of Richland County, testifying before the Ohio House Finance Committee on Tuesday, argued that allowing online betting would be a reasonable continuation of Ohio's

gradual relaxation of gambling restrictions in recent years -- starting with voters' approval of casinos and racinos in 2009, followed by [the legalization of sports betting in 2023](#).

"We believe that given the significant financial upside to the state, it's reasonable to take the next logical step – technological step – and allow Ohioans to play these games online as well as in person," testified Stewart, who predicted the bill would generate somewhere between \$400 million and \$800 million in additional state taxes annually.

Stewart and John also argued that the vast majority of gambling in Ohio is done illegally online. By passing their bill, they testified, the state would not only profit but could regulate it to exclude children and help problem gamblers.

Stewart said he was "ambivalent" about the Senate bill's proposal to allow online lottery games and would leave it to the Senate to decide what to do.

Some Democrats on the Finance Committee quickly expressed concerns that allowing online gambling would result in a lot more Ohioans becoming addicted to gambling. House Speaker Matt Huffman, a Lima Republican, has aired similar concerns.

State Rep. Dani Isaacsohn, a Cincinnati Democrat, noted [a study](#) that found about one of every five problem gamblers had considered suicide in the previous year. If lawmakers approve online gambling, he argued, they would be saying the new tax revenue is worth the price of putting thousands of Ohioans lives at risk.

"Where is the line?" Isaacsohn asked Stewart and John. "At what point do we say this isn't worth it anymore? That it's not worth the additional revenue that could fund a tax cut or a stadium or whatever else it goes toward?"

John replied that she respectfully disagreed with Isaacsohn's premise, and that their bill would put in place security measures to help problem gamblers.

Stewart said that Ohio would have far fewer drunk-driving crashes and deaths if the state banned alcohol, as well as fewer children using marijuana if voters didn't legalize it in 2023.

"We don't base our public policy decisions of what options, games, entertainment, etc. are going to be available to free-thinking adults, based on the fact that some adults may make the decision to abuse these products," Stewart said, noting the state's problem-gaming efforts.

As Ohioans previously voted to allow casinos and racinos, Stewart said he thinks “the cat is out of the bag in terms of whether we’re going to kind of nanny-state our way around this and say we’re not going to allow gaming.”

It remains to be seen whether either bill will pass the legislature. If lawmakers reach agreement on an online-gambling plan in the coming weeks, they could pass it via the state’s enormous two-year budget plan, which is currently under consideration in the Senate.

Right now, seven states – Connecticut, Delaware, Michigan, New Jersey, Rhode Island, Pennsylvania, and West Virginia – allow a range of online gambling games, and Nevada allows online poker. Thirteen states allow internet lottery games.