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March 29, 2022

The Honorable Robert Stivers  
Senate President

The Honorable Mike Wilson  
Majority Whip

The Honorable David P. Givens  
President Pro Tempore

The Honorable Morgan McGarvey  
Minority Floor Leader

The Honorable Damon Thayer  
Majority Floor Leader

The Honorable Reginald Thomas  
Minority Caucus Chair

The Honorable Julie Raque Adams  
Majority Caucus Chair

The Honorable Dennis Parrett  
Minority Whip

Re: HB 606 – Legislation to Authorize and Regulate Sports Wagering

Dear Senate Leaders:

The American Gaming Association (AGA) is encouraged by recent House approval of HB 606, and urges the Senate to take similar action to ensure Kentuckians have legal, regulated options to safely engage in sports betting rather than continuing to rely on illegal channels.

The AGA is the premier national trade group representing the \$261 billion U.S. casino industry, which supports 1.8 million jobs across the country. Our membership consists of more than 70 commercial and tribal casino operators, U.S.-licensed gaming suppliers and equipment manufacturers, licensed sports wagering operators, financial institutions, food and beverage suppliers, and other key stakeholders in the gaming industry. Our industry is one of the most highly regulated in the country at various levels, including by federal, state, and tribal agencies. Our members strive to uphold the highest standards of consumer protection while providing significant contributions to our communities.

With sports wagering currently authorized in 33 states and DC, more than 157 million American adults have – or will soon have – legal channels available to bet on sports in their home state, including residents in six of seven states that border Kentucky. However, a vast illegal market continues to operate and remains the only option for far too many, including Kentuckians. In just the first two months of 2022, internet searches from Kentucky for illegal offshore sportsbooks increased by 22 percent compared to the previous year, and more than 60 percent of all sportsbook internet searches from Kentucky were for illegal sites, both above the national average.

Americans have a longstanding and widespread interest in wagering on sports, and will seek channels to place bets – regardless of their legality. That is the underlying reason for the failure of previous federal efforts to restrict this activity through the Professional and Amateur Sports Protection Act (PASPA). Rather than preventing sports betting in the U.S., PASPA instead enabled a massive illegal sports betting market that the AGA estimated to be in excess of \$150 billion dollars annually. This near monopoly for illegal operators fueled other criminal activity, provided no consumer protections or transparency to ensure the integrity of sporting contests, and generated no economic benefits for states or tribal nations.

Kentucky has an historic opportunity to join the many states and tribal governments, which have recognized that offering legal, regulated sports wagering can more effectively promote responsible social and fiscal policy and is also what their constituents want. This has been validated by the fact that nationally more than 7 in 10 Americans favor legal sports betting in their states and that in 2021 alone, Americans wagered more than \$57 billion through legal operators.

Accordingly, AGA respectfully asks for your leadership in advancing and approving legislation to enable legal, regulated channels for those in your great state to engage in this popular activity.

Sincerely,



Christopher Cylke  
Senior Vice President, Government Relations

Cc: Sen. John Schickel  
Sen. Jason Howell  
Sen. Donald Douglas  
Sen. Jimmy Higdon  
Sen. Paul Hornback  
Sen. Christian McDaniel  
Sen. Gerald A. Neal  
Sen. Michael J. Nemes  
Sen. Reginald Thomas  
Rep. David W. Osborne  
Rep. David Meade  
Rep. Steven Rudy  
Rep. Suzanne Miles

Rep. Chad McCoy  
Rep. Joni L. Jenkins  
Rep. Derrick Graham  
Rep. Angie Hatton  
Rep. Adam Koenig  
Rep. Al Gentry  
Rep. Kim Banta  
Rep. Thomas Huff  
Rep. Michael Meredith  
Rep. Rachel Roberts  
Rep. Cherlynn Stevenson