



February 8, 2023

Dear Members of the Kentucky General Assembly,

The Kentucky Chamber of Commerce encourages you to pass legislation banning gray machine gambling in the Commonwealth. Often referred to as "skill games", these unauthorized gambling machines are quickly proliferating throughout Kentucky, threatening education funding via the Kentucky Lottery and harming our signature equine industry, which the General Assembly has worked hard to protect and grow.

As you know, thousands of gray machines, without government authorization or oversight, have set up shop throughout Kentucky with no consequence. There is no doubt that thousands more are on the way unless the Kentucky General Assembly takes action to ban these machines this year.

Unlike other forms of legalized gaming, including the Kentucky Lottery, charitable gaming and historical horse racing, gray machine gambling is <u>unregulated, unmonitored, untaxed and does not provide the same</u> <u>benefits to the people of Kentucky.</u> Nor would it do so under the proposals being shopped around by gray machine operators. We know that in states like Virginia, gray machines have directly impacted not only the lottery, but also the equine industry, a risk we cannot take here in the horse capital of the world.

Gray machine operators are trying to back Kentucky into a corner by forcing the General Assembly to reward their unauthorized activity after they've already established a foothold in our Commonwealth. **This is simply not the way we do business in Kentucky.** 

Without action to ban gray machines, we are poised to see the largest expansion of gambling in our state's history. That's something the General Assembly should carefully debate and decide on its own instead of allowing to be dictated by outsiders who refuse to follow Kentucky laws.

We thank you for your strong support of Kentucky's job creators and encourage you to join us in supporting a ban on gray machine gambling to protect the bright future of our Commonwealth.

Sincerely,

Ashli Watts

President and CEO

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Kentucky Chamber of Commerce