

A RESOLUTION commending the Kentucky Lottery Corporation for its desire to work with the Kentucky Horse Racing Commission, lottery vendors present and future, and the horse industry at large in the coming year to work towards development of a new shared lottery game based on the results of live horse racing.

WHEREAS, the Kentucky Lottery Corporation began April 4, 1989, to benefit the Commonwealth of Kentucky and its citizens through scholarship programs for Kentucky students; and

WHEREAS, any new game the Kentucky Lottery Corporation institutes must first and foremost be designed to return revenues to scholarship programs, in line with other current lottery offerings, that send Kentucky students to Kentucky colleges and universities; and

WHEREAS, Kentucky's signature horse industry continues to look for new ways to support its product and bring horse racing back to the relevance it has historically enjoyed; and

WHEREAS, it was the intent of the General Assembly to open the door for lottery and horse racing integration based on Kentucky Revised Statutes Section 154A.065, entitled "Contests involving horses may be the basis for a lottery," which was added to the lottery statutes on July 1, 1990; and

WHEREAS, commingling lottery and horse player funds in the same pools is an innovative way to pay race tracks for putting on the event that is the basis for this type of lottery game; and

WHEREAS, any new game developed by these entities must exist within lottery terminals and not be implemented as a new machine; and

WHEREAS, the Commonwealth of Kentucky has the opportunity to lead the way through innovation with a new live event category in the U.S. lottery, while giving a lift to its signature horse industry; and

WHEREAS, Kentucky leading the way on this innovation would open the door for

Kentucky horse racing to be featured in tens of thousands of lottery terminals outside of the Commonwealth;

NOW, THEREFORE,

*Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:*

➔Section 1. This honorable body finds and declares that the interest of the Commonwealth has been and will be well served by:

- (1) The willingness of the Kentucky Lottery Corporation to work in cooperation with the Kentucky Horse Racing Commission and the horse racing industry at large in pursuit of a shared lottery game.
- (2) The understanding of all participating entities that any lottery game must meet the return to scholarship programs met by the other offerings from the Kentucky Lottery Corporation.
- (3) The desire to undergo in-depth market research to test and determine interest in a horse racing lottery game by the general Kentucky population.
- (4) The tangible and intangible benefits of increased exposure, revenues, and relevance to the horse racing industry in Kentucky and beyond by incorporating this distribution model.

➔Section 2. The Clerk of the Senate is directed to transmit a copy of this Resolution to Mr. Arthur Gleason, President and CEO, Kentucky Lottery Corporation, 1011 West Main Street, Louisville, Kentucky 40202; and Mr. John Ward, Executive Director, Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, Kentucky 40511.