



For Immediate Release
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Safe and Secure Internet Gambling Initiative Calls for Kentucky Governor to Support Internet Gambling Regulation

Governor urged to reconsider attempt to prohibit Internet gambling

(Washington, D.C. – October 8, 2008) – Jeffrey Sandman, spokesperson for the Safe and Secure Internet Gambling Initiative, today issued the following statement in regards to the attempt by Kentucky Governor Steve Beshear to prohibit Internet gambling through the seizure of Internet gambling domain names.

“The Safe and Secure Internet Gambling Initiative calls on Kentucky Governor Steve Beshear to support the regulation of Internet gambling as a way to protect Kentuckians and generate billions of dollars in new revenue, rather than seeking to prohibit the activity.

Governor Beshear is right to acknowledge that Internet gambling is flourishing in an underground marketplace and a change is needed to protect Kentuckians and all Americans. Unfortunately, his solution is flawed. Prohibition has failed before and is not likely to stop Kentuckians or anyone in the U.S. from continuing to find a way to gamble online.

The movement to regulate Internet gambling, led by House Financial Services Committee Chairman Barney Frank, advocates for a more responsible approach to protect consumers and capture billions of dollars to fund critical government programs, money that otherwise is lost to offshore businesses and out of the U.S. economy. Based on pending legislation, the Investing in our Human Resources Act (H.R.6051), Kentuckians could receive an estimated \$556 million over 10 years to fund critical programs from regulated Internet gambling revenues. The bill also includes provisions to encourage responsible Internet gambling behavior and an awareness of unsafe practices, something problem gambling advocates praise.

Gov. Beshear has shown great leadership in protecting Kentuckians’ individual right to gamble on horse racing and in casinos if they wish to opt for that form of entertainment. He should extend that right to those constituents who seek the freedom to gamble online, whether on poker, sports or other games.

We encourage Gov. Beshear to reverse his position and support Internet gambling regulation as a sensible approach to protect the interests of his constituents.”

Pending Internet Gambling Legislation

The Internet Gambling Regulation and Enforcement Act of 2007 (H.R. 2046), introduced last year by Rep. Barney Frank (D-MA), would establish an enforcement framework for licensed gambling operators to accept bets and wagers from individuals in the U.S. It includes a number of built-in consumer protections, including safeguards against compulsive and underage gambling, money laundering, fraud and identity theft. A companion piece of legislation that would ensure the collection of taxes on regulated Internet gambling activities, the Internet Gambling Regulation and Tax Enforcement Act of 2008 (H.R. 5523), was introduced by Rep. Jim McDermott (D-WA). Revenues from regulated Internet gambling are estimated to be between \$8.7 billion and \$42.8 billion over 10 years, according to a tax revenue analysis prepared by PricewaterhouseCoopers.

About Safe and Secure Internet Gambling Initiative

The Safe and Secure Internet Gambling Initiative promotes the freedom of individuals to gamble online with the proper safeguards to protect consumers and ensure the integrity of financial transactions. For more information on the Initiative, please visit www.safeandsecureig.org. The Web site provides a means by which individuals can register support for regulated Internet gambling with their elected representatives.

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