

Impact of VLTs on charitable gaming and lottery sales

If video lottery terminals (VLTs) are legalized at Kentucky race tracks, critics claim that revenue from them will negatively impact the dollars currently spent on lottery purchases and charitable gaming. But, an examination of data from two of our neighboring states shows clearly that these concerns are unfounded.

Let's look at charitable gaming in Indiana:

- The first riverboat casino in that state began operations in 1995.
- Since that time, charitable gaming revenues haven't declined at all. In fact, they've continually trended upward.
- For example, in the fiscal year 2005, gross charitable gaming revenue in the state was a little more than \$400 million. In 2006, that figure was more than \$533 million.

And lottery sales in Illinois:

- Casinos opened in Illinois in 1991, yet the Illinois Lottery continues to post record sales.
- In 2004, the Illinois Lottery celebrated its 30th anniversary and sold \$1.7 billion in lottery tickets, which contributed \$570 million to the Common School Fund in that state.
- In 2006, record sales of \$1.99 billion were reported, contributing \$670 million to the Common School Fund and another \$3 million to support breast cancer research.

Studies show that legalizing VLTs at race tracks won't hurt lottery sales nor will it negatively impact charitable gaming, but what it will do is create jobs, increase tourism, generate state tax revenue and help save the Kentucky horse industry. There's never been a more sure bet.