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State Restaurant Association Calls for Expanded Gaming Licenses to Include Restaurants as Senate Holds Hearing on Mobile Sports Wagering's First Year in Operation

On-premises sport betting kiosks to stimulate increased revenue and meet consumer demand

ALBANY, NY — The New York State Restaurant Association is urging lawmakers to expand gaming licenses in New York State to include restaurants. On-premises betting will expand the economic arsenal available to restaurants as they continue to struggle with the harsh economic environment.

Recent survey data revealed elevated costs, supply chain disruptions, staffing shortages and low profitability facing restaurant operators. Prior to the pandemic, the restaurant industry was a \$50-billion industry in New York, producing \$4 billion annually in sales tax revenue. New York must explore how to create a new environment for restaurants to build back and open as many economic pathways as possible.

"New York sports fans have enthusiastically embraced sports betting, either at brick-and-mortar casinos or from their mobile devices and are hungry for more. New York must capture this economic opportunity and expand the type of licenses available to restaurants and meet consumer demand. The restaurant industry is well positioned to take advantage of this burgeoning marketplace and grow New York's sports betting footprint. We understand sports betting terminals and kiosks might not have a place in every restaurant and expanding available licenses may not be a silver bullet for the industry. However, for those where this is a fit, the additional revenue from on-premises sports betting could mean the difference between closing and survival," said Melissa Fleischut, President & CEO of the New York State Restaurant Association.

"We firmly believe that New York State represents an optimal landscape for leveraging the enthusiasm for sports betting at retail establishments as demonstrated by the extraordinary success of mobile betting in the first year since regulation. Expanding sports betting to the neighborhood sector, as proven in Europe for over 30 years, could play a pivotal role in recovery in the hard-hit leisure and hospitality sector, a vital component of the New York City's economy. We believe that fostering a retail market is a question of convenience that that would allow a sports bettor the option of patronizing a local restaurant or sports bar while enjoying a sports event as adopted in DC, Maryland and Ohio as well as Canadian provinces while contributing tax revenue for community services and infrastructure. Elys proudly supports this initiative together with the New York State Restaurant Association," **stated Michele Ciavarella, Executive Chairman of Elys Game Technology, Corp.**



This concept has been tested and proved successful. Last December, a sports bar in Washington D.C reported bringing in over \$1.4 million in gross gaming revenue since the beginning of the NFL season in September 2022. The increased revenue has allowed this establishment to keep their doors open and establish additional full-time jobs to those that need them.

In January 2023, Governor Kathy Hochul <u>announced</u> that New York collected more than \$900 million in taxes and licensing fees from mobile sports betting during the first year of operation providing a glimpse into the potential economic benefits that could be realized by New York businesses from expanding sports betting licenses in New York to include restaurants.

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