



March 31, 2014

The Honorable Lindsey Graham
290 Russell Senate Office Building
Washington, DC 20510-4003

Dear Senator Graham:

On behalf of the National Association of Convenience Stores (NACS), I'm writing to convey our industry's strong support for your legislation, the Restoration of America's Wire Act. This issue is of vital importance to NACS members.

Since 1961, NACS has represented the interests of the convenience store industry. NACS is an international trade association representing more than 2,200 retail company members doing business in nearly 40 countries around the world, with the majority of members based in the United States. Many of our members are small, family-owned businesses. In fact, 70 percent of NACS members operate 10 stores or less. The industry as a whole employs more than 1.5 million people across the United States.

Several years ago, Congress took steps to limit the abuses of Internet gambling and protect Americans, including children, from what promised to be a rapid explosion of gambling on the Internet. Unfortunately, in late 2011 the Department of Justice changed nearly 50 years of legal precedent and decided that the Wire Act does not prevent gambling on the Internet (other than sports betting). Because of this dramatic change, the Internet is poised to be the Wild West of gambling with individual states allowing gambling businesses of all kinds to set up shop online and prey upon vulnerable Americans without any federal check or consistency.

Not only would this put kids at risk and dramatically increase gambling addiction and related problems, but it would devastate NACS member businesses throughout the country. Among the products NACS members offer are lottery tickets. NACS members spend substantial time and money ensuring that they verify age before customers can buy lottery tickets. No website will be able to replicate that. And, for problem gamblers and those who cannot afford to lose the money, just the need to leave home, go to a store and deal with another person in a face-to-face transaction can create some friction on decisions that they would later regret – certainly more friction than clicking a mouse in the privacy of home would cause. All of that will be lost if there are no federal limits on lotteries and other online gambling.

In Europe, where Internet gaming is legal, "lotteries" offer everything from slot machines to card games and more. And all too often these games are accessed and played by minors.

Convenience Stores depend upon lottery ticket sales to get foot traffic. Purchasers tend to purchase other products while in the store and these ancillary purchases are a key piece of the economic viability of convenience stores. Now is not the time to put brick-and-mortar small businesses in jeopardy by closing our eyes to a coming explosion of gambling on the Internet.

The Restoration of American's Wire Act would address these problems. If Congress does not act to pass this legislation, states will open the floodgates to Internet gambling and it will become difficult or impossible to turn it back. We appreciate your work in getting this legislation introduced and we look forward to seeing it become law.

Thank you for your efforts to help protect Americans from the problems of Internet gambling.

Sincerely,

A handwritten signature in black ink that reads "Lyle Beckwith". The signature is written in a cursive style with a large, looping initial "L".

Lyle Beckwith
Senior Vice President,
Government Relations