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**VETO MESSAGE FROM THE
GOVERNOR OF THE COMMONWEALTH OF KENTUCKY
REGARDING HOUSE BILL 566 OF THE 2025 REGULAR SESSION**

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following parts of House Bill 566, which makes appropriations in multiple places by adding or amending language governing the funding and use of money by the corporation.

Page 25, line 11, after “president”, delete the rest of the line.

Page 25, line 12, delete “directors~~[shall serve at the pleasure of the Governor]~~”.

I am vetoing these parts because they take away the Governor’s authority to remove the president of the corporation who he appoints. This prevents Governor from being able to fulfill his duty to under Section 81 of the Kentucky Constitution that the laws are faithfully executed by the president of the corporation.

Page 28, line 3, after “Chapter 11A”, delete “,”.

Page 28, line 4, in its entirety.

Page 28, line 5, delete “chapter is expressly inconsistent with any provision of KRS Chapter 11A”.

I am vetoing these partes because they give the president of the corporation the discretion to ignore the Executive Branch Ethics Code in KRS Chapter 11A when the corporation’s own statute is expressly inconsistent with the Ethics Code.

Page 30, line 21, delete “(a)”.

Page 30, line 22, after “Chapter 11A”, delete “,except that this chapter shall control if and”.

Page 30, line 23, in its entirety.

Page 30, line 24, delete “any provision of KRS Chapter 11A”.

Page 30, lines 25 through 26, in their entirety.

I am vetoing these parts because they give employees of the corporation the discretion to ignore the Executive Branch Ethics Code in KRS Chapter 11A. I am also vetoing these parts because they exempt all corporation employees from KRS Chapters 18A and 64. This will take employees of the Department of Charitable Gaming out of KRS Chapter 18A when the department becomes part of the corporation, leaving them without the protections of the classified system that they signed up for when they took their jobs, including sworn peace officers. This likely violates their rights and is causing employees to seek other jobs. Exempting corporation employees from KRS Chapter 64 means they can have higher salaries than the Governor. This raises concern not only

because the corporation has given exorbitant salaries to its top ranks, but also because the bill allows significantly more money from various funds to pay salaries.

Page 65, line 16, after “corporation.”, delete “The”.

Page 65, lines 17-25, in their entirety.

Page 65, line 26, delete “of this Act”.

I am vetoing these parts because they require the corporation to submit a quarterly report on sports wagering to the Legislative Research Commission for referral to legislative committees, but not to the Governor. This creates a lack of transparency and prevents the Governor from fulfilling his duty under Section 81 of the Kentucky Constitution to take care that the laws be faithfully executed by the corporation.

Page 73, line 3, delete “may~~shall~~”.

Page 73, line 22, after “investigators”, delete “may~~shall~~”.

Page 73, line 24, after “KRS Chapter 15, delete “, but this certification shall not be required for any investigators”.

Page 73, line 25, delete “hired after the effective date of this section”.

Page 74, line 3, after “subsection” delete “(4)~~(5)~~”.

I am vetoing these parts because they allow the president of the corporation to hire gaming investigators that have police powers, but do not have to have any training whatsoever. Other peace officers must be certified through the Department of Criminal Justice Training or through other means. Thus, the bill allows the president of a corporation to directly hire investigators who can make arrests without having any training. This provision will not stand legal scrutiny and will lead to lawsuits that create significant liability.

Page 74, line 7, after “as authorized by the corporation.”, delete “The president may”.

Page 74, line 8, in its entirety.

Page 74, line 9, delete “eliminate duplication of duties.”.

I am vetoing these parts because they give the president of the corporation the power to move responsibilities of the Office of Charitable Gaming into other corporation offices, further eroding the important separation of charitable gaming from the for-profit industries of horse racing and sports wagering.

Finally, it appears there may have been a significant conflict of interest in how the corporation went about drafting the bill. The types of concerns expressed in this message are similar to ones that I raised in vetoing the bill creating the corporation in 2024. I have serious concerns about the operations and finances of the corporation.

This, the 25th day of March 2025.



Andy Beshear
Governor