

Approved: March 20, 2007

Date

MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Arlen Siegfroid at 1:30 P.M. on March 14, 2007 in Room 313-S of the Capitol.

All members were present except:

Representative Broderick Henderson- excused

Committee staff present:

Kathie Sparks, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Mike Heim, Revisor of Statutes Office
Carol Doel, Committee Assistant

Conferees:

Ron Hein, Prairie Band Potawatomi Nation
Lana Oleen

Others attending:

See attached list

The Chairman requested a bill introduction regarding gambling and moved the bill with a second by Representative Peterson. With no objections, the bill will be accepted.

The Chair directed attention to informational articles requested by Committee members.

- Information regarding donations made to the Governor's Campaign Committee by gaming and gambling interests across the state. (Attachment 1)
- The Economic Impacts of Expanded Gaming in Kansas by William N. Thompson, Ph.D. - Professor of Public Administration University of Nevada, Las Vegas. (Attachment 2)
- A report from the Governor's Committee on Gaming prepared and compiled by Kickapoo Tribe in Kansas and Sac and Fox Nation. (Attachment 3)
- Kansas Racing and Gaming commission Live Horse- Greyhound Handle 1990-2006 (Attachment 4)

Chairman Siegfroid opened the meeting for continuation of public hearing on **HB 2569** - Kansas destination casino act; destination casino commission.

Ron Hein, Legal Counsel for Prairie Band Potawatomi Nation returned before the Committee with a continuation of his testimony as an opponent of **HB 2569**. Mr. Hein related that one of the issues which he discussed was experience. Any gambling bill should require that class III gambling operators, have at least three, or even preferably five or ten years experience, in operating a Class III casino. Any bills which provide for slots at the tracks or for a new parimutuel track, should require eight years experience in operating Class III gambling or experience in operating parimutuel tracks. In his testimony, Mr. Hein also spoke on constitutionality - state-owned and operated casinos, problem gambling and if gambling must be expanded, the method of expansion. (Attachment 5)

Lana Oleen consultant for the Prairie Band Potawatomi Nation presented testimony on their behalf as an opponent to **HB 2569**. Subjects covered by Ms. Oleen included, committee responsibility, components of the bill, new, smarter generation model of gaming, executive director/regulation and oversight, feasibility, border wars, destination casinos, state-owned and, state-operated requirement for constitutionality. (Attachment 6)

Written testimony in opposition to **HB 2569** was submitted by Kansas Racing, L.L.C. (Attachment 7) and as a proponent of **HB 2055**, **HB 2568**, and **HB 2569** by Sedgwick County. (Attachment 8)

With no other person wishing to speak to **HB 2569**, Chairman Siegfroid closed the public hearing.

With time being an issue for the Committee the Chair announced that **HB 2568** - Kansas destination casino act; destination casino commission; stated owned and operated - which was to be heard today would be

CONTINUATION SHEET

MINUTES OF THE House Federal and State Affairs Committee at 1:30 P.M. on March 14, 2007 in Room 313-S of the Capitol.

rescheduled, however he recognized Bob Johannes, owner of Park Lanes and Ranch Bowl in Kansas City and Kenny Lynch, owner of Holiday Lanes, Pittsburg, Kansas testify on **HB 2568**.

Mr. Johannes opposes **HB 2568** as he feels that this proposal limits gaming to a few casino and or track facilities. The bill ignores the impact that these types of facilities have on small entertainment businesses such as bowling centers, movie theaters, restaurant and bar facilities. (Attachment 9)

Mr. Lynch also opposes **HB 2568** relating that the passage of this bill would mean that the Kansas Lottery would be coming to his community to directly compete with his recreation business. The bill also requires destination casinos to develop entertainment facilities, i.e. bowling center. He voiced the opinion that the State of Kansas should not be competing with its own citizens in the recreation business. (Attachment 10)

With no further business before the Committee, the Chairman adjourned the meeting.