Approved: February 11, 2015

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Vice Chairperson Jacob LaTurner at 10:30 am on Wednesday, January 28, 2015, 144-S of the Capitol.

All members were present except:

Senator Ralph Ostmeyer – Excused

Committee staff present:

Heather O'Hara, Legislative Research Department

Connie Burns, Kansas Legislative Committee Assistant

Joanna Wochner, Legislative Research Department

Matt Sterling, Office of Revisor of Statutes

Mike Heim, Office of Revisor of Statutes

Conferees appearing before the Committee:

Senator Carolyn McGinn

Terry Humphrey, The Human Society of the United States

Sherriene Jones-Sontag, Kansas Lottery

Phil Bradley, Kansas Licensed Beverage Association

Mark Kahrs, Wichita, Kansas

Others in attendance:

See Attached List

Introduction of bills

Senator McGinn requested a committee bill introduction concerning the uniform act regulating traffic; relating to height and length of vehicles and loads; exception to maximums.

<u>Senator Wolf moved that this request should be introduced as a committee bill. Senator Longbine seconded the motion. The motion carried.</u>

Terry Humphrey, The Humane Society of the United States, requested a committee bill introduction concerning wildlife; relating to dangerous regulated animals from being sold as pets.

Senator Wilborn moved that this request should be introduced as a committee bill. Senator Longbine seconded the motion. The motion carried.

Senator LaTurner requested a committee bill introduction concerning openness in government.

<u>Senator Wolf moved that this request should be introduced as a committee bill. Senator Holland seconded the motion. The motion carried.</u>

SB 61 Kansas lottery; sale of tickets; advertising; underage purchase of ticket prohibited.

CONTINUATION SHEET

MINUTES of the Committee on Federal and State Affairs at 10:30 am on Wednesday, January 28, 2015, 144-S of the Capitol.

Vice-Chairman LaTurner opened the hearing on **SB 61.** Staff provided an overview of the bill.

Opponent

Mark Kahrs, Wichita, Kansas, appeared before the committee in opposition to the bill. (Attachment 1) Mr. Kahrs concerns are that the bill will make it easier for minors to gamble illegally in Kansas; shifts the burden of enforcement from the seller of the lottery tickets to the buyers and law enforcement.

Proponents

Sherriene Jones-Sontag, Deputy Executive Director, Kansas Lottery, testified in favor of the bill. (Attachment 2) The bill proposes four changes to the Kansas Lottery Act; it would allow the Kansas Lottery to be a retailer, and would be able to sell its own products, and will eliminate a great deal of unnecessary paperwork and reduce staff time by streamlining the accounting and ticket tracking process. Second, the bill makes purchasing or attempt to purchase Kansas Lottery products a criminal offense for a person under the age of 18. Third, allow the Lottery to advertise at amateur athletic and sporting events; the bill clarifies that the prohibition applies specifically to sporting events in the state where the majority of participants are under the age of 18. Fourth, allow the Lottery to invest in and use electronic product dispenser; 38 U.S. lotteries including Missouri, Oklahoma and Colorado use electronic dispensers to deliver and sell their lottery products. Once fully implemented estimates project the use of electronic dispenser in Kansas would increase sales by \$25 to \$30 million and increase transfers to the state by \$8 to \$9 million annually.

Philip Bradley, Kansas Licensed Beverage Association, appeared as a proponent on the bill. (Attachment 3) By allowing these items in retail locations is positive for the retailers who wish to add another product.

Written testimony was provided in support of the bill by:

Tom Palace, Executive Director of the Petroleum Marketers and Convenience Store Association of Kansas. (Attachment 4)

Mike Thornburgh, Manager of Public and Government Affairs, QuikTrip Corporation. (Attachment 5)

Adam Mills, Kansas Restaurant & Hospitality Association. (Attachment 6)

Jay Johnson, President, Johnson's General Stores, Inc. (Attachment 7)

The Committee requested cost information on the gaming machines that require Identification to purchase Lottery products.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES of the	Committee on Federal and State	Affairs at 10:30 am on W	ednesday, January 28,
2015, 144-S of the	e Capitol.		

Vice-Chairman LaTurner closed the hearing on **SB 61**.

The next meeting is scheduled January 29, 2015. The meeting was adjourned at 11:30 a.m.