Approved: <u>April 30, 2015</u>

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairperson Ralph Ostmeyer at 10:30 am on Wednesday, March 11, 2015, 144-S of the Capitol.

All members were present

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

Dezeree Hodish, Kansas Legislative Research Department

Conferees appearing before the Committee:

Jeff Dunker, American Legion Posts

Susan Riley, Kansas Charities Cooperative

Patsy Congrove, Charitable Gaming, Department of Revenue

Tim Witsman, Nonprofit Chamber of Service

Gregg Burden, Kansas Commission on Veterans 'Affairs Office

Craig Gabel, Kansas for Liberty

Charles Yunker, The American Legion Department of Kansas

Others in attendance:

See Attached List

Introduction of Bills

Senator Ostmeyer requested a bill introduction for sales tax authority for Thomas county for constructing or remodeling of a county jail, law enforcement center, courthouse or other county facility.

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

SB 262 Charitable gaming; regulation of bingo and raffles

Chairman Ostmeyer opened the hearing on **SB 26**2.

Staff provided an overview of the bill.

Jeff Dunker, representing several American Legion Posts in Kansas, appeared before the committee as a proponent on the bill. (Attachment 1) Mr. Dunker asked the committee to pass the bill that enacts charitable raffles, but updates state regulations for charitable bingo games. Many VFW's and American

CONTINUATION SHEET

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Legion posts struggle in their efforts to keep the bills paid on their facilities, and more important, they are having a difficult time meeting the needs of our new generation of veterans who are fighting the war on terror.

Susan Riley, President, Kansas Charities Cooperative, testified in favor of the bill. (Attachment 2) Charitable gaming and the regulation of raffles are located in a single section of the Kansas Statues Annotated. The bingo statutes have unreasonable restrictions that small businesses and non-profits should not have to operate under, especially since the State has authorized 24-hour lottery ticket sales and 24 hour casino gaming at state owned gaming facilities.

Patsy Congrove, Administrator of Charitable Gaming, appeared in favor of the bill. (Attachment 3) The bill enacts legislation for charitable raffles and modernizes unreasonable restrictions that exist in current law regarding charitable bingo. Many states combine charitable bingo and charitable raffle laws into one statute. A letter of endorsement for **HB 2291** from St. Jude's Hospital was included.

Tim Witsman, Executive Director, Nonprofit Chamber of Service, appeared as a proponent on the bill. (Attachment 4) The effects of the recession have placed even greater demands on charitable organization to provide assistance. Charitable raffles and bingo will not make up for government and private contribution reductions; but, it makes good policy sense to allow charitable organizations an alternative source to partially fill the funding hole.

Charles Griffin, Hutchinson, Kansas provided written testimony in support of the bill. (Attachment 5)

Dona Booe, President/CEO, Kansas Children'(<u>Attachment</u>) s Service League, provided written testimony in favor of the bill. (<u>Attachment 6</u>)

Jeff Glendening, Kansas State Director, Americans for Prosperity, provided written testimony in favor of the bill. (Attachment 7)

Renee Duxler, LMSW Executive Director, Positive Directions, Inc., provided written testimony in favor of the bill. (Attachment 8)

Gregg Burden, Director Kansas Commission on Veterans Affairs Office, (KCVAO) appeared neutral on the bill. (Attachment 9) KCVAO continues to be neutral on gaming issues; we do hope the Committee will take into account the impact of this bill on veterans and the veteran service organizations that support those veterans. We would caution the passage of a bill that negatively impacts the veteran service organizations that support veterans in Kansas.

Craig Gabel, Kansans for Liberty, appeared in opposition of the bill. (Attachment 10) Mr. Gabel feels that the bill is a giant step backwards compared to the bill passed in the House.

CONTINUATION SHEET

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Charles Yunker, Adjutant, The American Legion Department of Kansas, (AL) appeared to voice the organizations opposition to the bill. (Attachment 11) The AL strongly opposes any attempt to include any change to Kansas Bingo laws by using the message Kansas voters voiced to approve raffles.

Chairman Ostmeyer closed the hearing on **SB 262**.

The next meeting is scheduled March 12, 2015. The meeting was adjourned at 11:35 a.m.