

Chairman Ostmeyer and Honorable members of the Committee:

I come before you today to seek your support for SB 192, a bill that will remedy the unintended consequences of SB 66 passed in 2007.

Kansans in my district voted with 88 percent favorability to have slots at the Woodlands Racetrack. But because the bill permitting slots was loaded with taxes and fees that equaled nearly 75% of gaming revenue, the track was forced to close.

The closing of Woodlands and Eureka Downs decimated the horse racing industry in Kansas. Folks actively engaged in racing today are doing so outside the state of Kansas, fostering none of the economic benefits associated with a vibrant horse racing culture. Millions of dollars leave the state because we passed legislation that broke these businesses.

As elected officials, we're constantly pressed with requests to change the law and do things differently, not always for reasons that make a lot of sense. But in the instance of horse racing and the problems the Kansas legislature created under Governor Sebelius's leadership, we have a responsibility to fix the mistake.

SB 192 is a reasonable proposal. We're simply asking for the 40% tax payable to the State of Kansas to be reduced to the 22% rate paid by our state-owned destination casinos.

Those in the industry believe they can sustain operations under a 22% rate and plan to reopen their horse racing facilities when this body allows them to operate under the same tax as our casinos.

Right now, we're generating no income for the state from this industry because we've taxed them out of business. By reducing their tax to 22 percent, we spur the reestablishment of horse racing in Kansas and generate tax revenue for the state.

On behalf of the members in my district where The Woodlands is located, we respectfully request a YES vote for SB 192. It's time to remedy the mistake of 2007 and bring horse racing back to Kansas.