

March 5, 2015

Senate Federal and State Affairs Committee

Re: Support for SB 192

Kurt Eck

12 Sunset Rd.

Wellington, KS 67152

Chair Ostmeyer and Committee Members:

My name is Kurt Eck and I am from Wellington, Kansas. I grew up near Andale where my family has bred, raised, and raced horses over the past 35 years in the state. I hope to continue this tradition as I continue to add to the investment my family has in rural Kansas.

With the passage of the constitutional amendment for pari-mutual racing in the late 1980's, our state realized how valuable the culture of the racing industry was. Once again, in 2007, the legislature recognized not only the cultural value of the industry, but also the economical value that it brings to agri-business across the state. They realized that the competition for the gaming dollar had become so intense, that the highly regulated pari-mutual and gaming landscape in Kansas had to change to ensure a vibrant horse industry, one that at one point was the 5th leading producer of quarter horse foals in the nation. This is an industry capable of producing thousands of jobs and injecting millions of dollars into local rural economies throughout the state. I would like to think that this economic value and cultural preservation were two of the primary reasons why legislation was passed for the expanded lottery act.

Now, several years after that legislation was passed, we see this law did not spur the agri-business as it was intended. It needs to be fixed. The amendments to the bill that have been proposed in SB 192 now provide that opportunity for the racetracks to find it financially attractive to re-open their doors to an entire industry. To be clear, our industry not only includes the breeders, trainers, jockeys, veterinarians, hay and grain producers, tack shops, and others, but also includes the racetrack operators. Without the operators, similar to the money invested by the owner of any other business, the venture would not succeed. The racetracks are the markets for our goods. Without them, we have no need to produce our product, creating thousands of jobs in the rural communities across the state. Horsemen and track operators must work together to create and sustain this valuable segment of our state's agri-economy. SB 192 has features that will allow investment of first-class operators which promise to create a demand for the agri-business we support.

From a more personal perspective, my family has been involved in the industry for last four decades. At one time, the family farm was home to nearly 50 horses, most of which were involved in the breeding and raising of running horses. We have since cut back on this operation due to the lack of racing opportunities in the state. Most recently, we have ventured out of state to compete at tracks that provide not only the opportunity to race but also the financial reward necessary to continue investing in the industry. The decision to take horses out of state to race was certainly not easy. Our family took great pride in the fair meets at Eureka and Anthony. The unique entertainment value of horse racing

should not be underestimated, as we invited extended family and friends week after week to the races to enjoy what live racing has to offer. These fair meets were truly a family-oriented atmosphere that many entertainment venues cannot offer, and it would be a shame to let these places lie dormant.

With all this being said, we have an opportunity before us to create that solid foundation for an industry ready to re-generate, to grow, and to create jobs in rural Kansas. The decision was made nearly 8 years ago that this was an industry worth committing to when the original expanded lottery act was passed. The difficult decisions made back then to get us to this point should not go by the wayside and we now ask that you make the decision to correct the law so that it gets the results that were intended in the first place.

Thank you for your consideration.

Sincerely,

Kurt Eck

NOTES:

I'm from west Sedgwick county. Family farm runs cow/calf operation of over 200 beef cattle as well as farms approximately 500 acres.

We also have been raising & breeding running horses for over 35 years. 2nd generation. I own 50 acres of which is currently farmed and would love to turn into a horse operation. Potential to realize more return on the investment of that land through the incentives provided in this bill, through the KBDF.

Our state has a history of recognizing the importance of horse racing in Kansas. Not only from an economic perspective but also the cultural aspect. The constitutional amendment in the 80's that allowed pari-mutual gambling. And then the 2007 passage of the Kansas Expanded Lottery Act after it became such that the competition for the gaming dollar had become so intense. The problem with the 2007 passage was that it did not open the racetracks and we were left to ride our horses out of state with casino lights shining in the background and that is why I stand before you.

I am here today to support SB 319 that fixes the current law that will spur the agri-business that was intended in 2007. For our industry to work, all parties within the industry must have the right conditions to invest and succeed. Let me be clear, our industry includes not only the owners and breeders of the horses, the trainers, the veterinarians, the tack shops, the feed stores, BUT also the racetracks. These racetracks are the marketplace for our product. Without a marketplace, there is no demand. Imagine raising beef cattle and then not having a marketplace to take it because that marketplace had no incentive to sell the product because of an unfriendly regulatory environment or whatever. It just doesn't make sense to support policies that would jeopardize one segment or another of an industry.

Last year we supported a bill that we thought our marketplace could support and give them the reason to invest in our industry. We found out after the session that even with the passage of that bill, that the racetracks would STILL not have been open. Since then, our organization has been working with potential operators to make sure that any legislation passed will work for all of us. I believe that SB 319 is a good compromise that ensures the success of all stakeholders in the industry. This bill WORKS for everyone involved. It will spur agri-business as well as create thousands of jobs throughout the rural economies of Kansas. It will create millions of dollars of investment from first-class operators of the racetracks.

We NEED to make sure that if legislation is passed, that the racetracks WILL open. Not pass something and HOPE that they open like what happened in 2007. I don't want to come back next year and ask you for support on fixing our industry...again. You folks, nor myself, want to go through this process again. (Make this a sort of a joke).

From more personal perspective.....talk about the family horse operation and the fair meets, etc.

With all this being said, we have an opportunity before us to create that solid foundation for an industry ready to re-generate, to grow, to create jobs, to provide entertainment value, and to stimulate our economy without asking for any incentives from the state. The decision was made nearly five years ago

that this was an industry worth committing to when the original expanded lottery act was passed. The difficult decisions made back then to get us to this point should not go by the wayside and we now ask that you make the decision to correct the law so that it gets the results that were intended in the first place. And the only way to get the results that were intended, is to have a law that creates an environment for all stakeholders in the industry to succeed.