

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator Paul Hess at
Chairperson

10:00 a.m./~~p.m.~~ on March 8, 1984 in room 123-S of the Capitol.

All members were present except:
Senators Doyen, Gaines and Harder

Committee staff present: Research Department:
Ed Ahrens, Mary Galligan, Lynne Holt, Sherry Brown, David Monical, Chris Stanfield
Revisor's Office: Norman Furse
Committee Office: Mark Skinner, Tom Fritzlen, Doris Fager

Conferees appearing before the committee:
Michael Barbara, Secretary of Corrections; Chuck Simmons, Chief Legal Counsel, Department of Corrections; Joyce Stover, Executive Director, Mined-Land Conservation and Reclamation Board; Brian Moline, Attorney, Kansas Corporation Commission; George Barberich, Alternate Fuels, Inc., Arma, Kansas; Robert Anderson; Mark Premo, Resident Engineer, Pittsburg Midway Coal Company; Mary Ann Gabel, Executive Secretary, Board of Behavioral Sciences; Bob Ensley, Member, Park and Resources Authority; Senator Don Montgomery; Phil Wilks, Department of Revenue; Susan Wagle, Bingo Parlor Owner, Wichita; Mike Needleman, Sponsor (by Harold Nave), Blessed Sacrament Catholic Church, Wichita; Clyve Baily, Optimist Clubs, Wichita; John Ivan, Attorney, Tri G and L, Inc., Circus Plaza, Johnson County; Ed Barker, Wichita; Bert Roy, Capitol Bingo, Topeka; Stan Briggs, East Topeka Council on Aging; Jennifer Best, Shawnee Jaycee Women, Johnson County; Clay Bowden, C. B. 18, Johnson County; Jerry Hodges, Circus Plaza; Marshall Miller, Topeka Jaycees; Joe Berger, Sunflower Club Association, Topeka; Senator James Francisco; Scott Brannum, Wichita; Cindy Bean, Parlor Owner, Wichita; Bill Rendall, Salina; Robert Coldsnow, Legislative Counsel; Bill Kauffman, Counsel, Board of Regents; Rev. Richard Taylor, Kansans for Life at its Best

INTRODUCTION OF BILLS

The Chairman indicated he had a request from the State Treasurer to introduce a bill regarding the Unclaimed Property Act, with an amendment to the act limiting "finders' fees" to ten percent of the recoverable property. Motion was made by Senator Warren and seconded by Senator McCray to introduce the above requested bill. The motion carried by voice vote.

According to Senator Hess, the Kansas Commission on Civil Rights had requested introduction of a bill concerning conduct of hearings and elimination of the full time hearing examiner for the Commission. He said it was his understanding the proposal is supported by the Governor. Motion was made by Senator Bogina and seconded by Senator Hein to introduce the bill requested by the Commission on Civil Rights. The motion carried by voice vote.

The President of the Senate had been working on a proposal, after a meeting with EMS people, to transfer the Emergency Medical Services from the Department of Health and Environment to the Highway Patrol. Senator Doyen had requested its introduction. Motion was made by Senator Talkington and seconded by Senator Warren to introduce the proposal. The motion carried by voice vote.

A group of six bills had been requested by the Board of Regents. Mr. Kauffman presented the bills to the committee. They are: (1) Creation of a Higher Education Faculty Relations Act, placing unclassified people in a new category; (2) Modification or partial early retirement proposal; (3) Increase in the fee for the Law Enforcement Training Center; (4) Clarify authority of Board of Regents relative to motor vehicles on campus, etc.; (5) Providing moving expenses for chief executive officers; (6) Authority for Wichita State University to purchase from the Board of Regents a parcel of property to be used for parking facilities.

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.

Motion was made by Senator Werts and seconded by Senator Bogina to introduce Board of Regents Proposal No. 1. The motion carried by voice vote.

Motion was made by Senator Talkington and seconded by Senator Hein to introduce Proposal No. 2. The motion carried by voice vote.

Motion was made by Senator Talkington and seconded by Senator Werts to introduce Proposals No. 3, 4, 5, and 6. The motion carried by voice vote.

Senator Bogina requested introduction of a bill regarding a library board in Johnson County. He indicated it is a local bill, concerning only Johnson County.

Motion was made by Senator Bogina and seconded by Senator Talkington to introduce the Johnson County bill. The motion carried by voice vote.

SB 810 - Department of Corrections; institutions; inmate training, etc.

Secretary Barbara distributed a bill summary (Attachment A) and commented on amendment (4) on the summary. There were questions from committee members. In answer to one question, he stated that the total cost to the State General Fund would be \$66,000.

Mr. Simmons commented on amendments (1), (2) and (3) on Attachment A. In connection with Item (1), Mr. Simmons said the Department of Corrections is obligated to provide inmates with meaningful access to the Kansas Reports. The Department is not requesting that a complete set be provided this year, but is looking forward to provision of Kansas Reports from the date of the bill before the committee.

In connection with Item (2), Mr. Simmons said the provision is to remove any doubt as to the authority of the Department to accept property.

There were questions from committee members following Mr. Simmons' discussion of Item (4). He suggested that the savings would probably be about \$75,000 if this provision is approved.

There was no action on SB 810.

SB 812 - Mined-land conservation and reclamation fee fund

Ms. Stover distributed Attachment B and reviewed this statement. She said the proposal might be a cost of approximately \$100,000 to the State General Fund. Ms. Stover and Mr. Moline indicated that the provisions of SB 812 would comply with Federal law. There was discussion concerning the disposition of funds in the bill. Mr. Moline said the monies for civil penalties--the forfeiture bond may or may not be enough to reclaim the land. He said that if there is not enough money it is now necessary to use funds from the State General Fund. He further noted that it might be possible to order penalties returned to the mine operators from the State General Fund. He stressed that the bill simply places the money in an interest-bearing fund. He added that it was his understanding there would need to be changes in administrative rules and regulations.

Senator Hess appointed a subcommittee consisting of Senators Hein, Bogina and Warren to study this proposal and to make a recommendation to the full committee.

SB 816 - Mined-land conservation and reclamation act; fees for permit operators

Mr. Moline explained SB 816, stating that it would provide an assessment fee in addition to the regular permit fee; and that it is a revenue-raising measure. He noted that it was his understanding that the industry does not oppose the basic approach of the measure, but that at least one mining company feels there should be a cap on the assessment.

Mr. Anderson introduced Mr. Premo, Resident Engineer, Pittsburg Midway Coal Company. Mr. Premo presented his written statement (Attachment C). In answer to questions concerning fees and caps on the amount of tonnage subject to the assessments, Mr. Premo explained that his company's reasoning for the cap is that they feel larger companies do not command any more time from the Board than smaller operators. Senator Steineger asked if any of the money is used for reclamation. Mr. Premo answered that it is his understanding it is not, but that it is used for operation, administration, etc.

In answer to a question from Senator Hess, Mr. Premo said his company is probably the only one in Kansas which mines more than 300,000 tons each year. He said the company now has 30% to 40% of Kansas tonnage and it is felt the operations will increase. The Kansas tonnage will increase and Missouri production will decrease. That is the reason for his proposal concerning equitable collection.

When asked by Senator Hein if the Kansas Corporation Commission agreed with the concept suggested by Mr. Premo, Mr. Moline said he is not authorized to say whether the Commission would endorse it. He noted that if the suggestion were adopted the revenue shortfall would be made up by an adjustment of the per-acre assessment of mining companies.

Following a short discussion and additional questions by committee members, Senator Hess referred SB 816 to the subcommittee appointed to provide a recommendation for SB 812. He did, however, call upon Mr. Barberich to testify before proceeding to another bill.

Mr. Barberich presented Attachment D, and reviewed it before the committee. He stressed that his company is in favor of SB 816. In answer to questions from the committee, he said his company does not favor a cap on the tonnage for assessment purposes. He added that four of the five operators in Kansas signed a proposal agreeing with his company. When asked if there is a difference in the amount of time spent on the largest company, he answered that he is not sure of the proportionate share, but felt there would be more time spent because of the size of the company.

There was no action taken on SB 816. Senator Hess said the committee will await a recommendation by the subcommittee.

SB 820 - Park and Resources Authority - Sale of Park Permits

Mr. Ensley briefly explained SB 820, noting that it provides authority to transfer park permits to other entities (grocery stores, etc.) for resale. At the present time, those permits can be sold only through County Clerks, except for park employees. He said there is no opposition to the proposal, to his knowledge.

No action was taken on SB 820.

SB 819 - Licensing of social workers; relating to fees

Ms. Gable reviewed her written statement (Attachment E) and answered questions from committee members. Senator Werts stated this bill was recommended by the subcommittee which reviewed the budget for the Behavioral Sciences Regulatory Board.

No action was taken on SB 819.

HB 2630 - Alcoholic liquors; levying of taxes upon manufacturing, selling, etc.

Mr. Ahrens explained that there was an inadvertent change in statutory language in a bill passed by the 1983 Legislature which re-distributed receipts from the gallonage tax other than what was intended. He added that this proposal was recommended by the Legislative Budget Committee, and simply restores language intended prior to passage of last year's proposal. He said the bill is cleanup, only. There were limited questions from committee members regarding the measure.

No action was taken on HB 2630.

SB 824 - Veterans' preference; retired veterans.

Senator Montgomery appeared before the committee to explain that he had received a letter from a gentleman who had applied for state employment. He was not given a five-point preference on his Civil Service examination, because he had voluntarily retired with 20 years of military service. Senator Montgomery said he did not think it fair that there be discrimination of this type, simply because the veteran had 20 years' service.

Senator Hess stated there had been extensive hearings on the subject of veterans' preference some years ago, and certain groups opposed the concept entirely. He added that he thought the reason for the policy of not giving preference to veterans with 20 years or more service is because that person is entitled to service retirement, and some people felt the five-point preference in addition to that retirement pay is unfair. Senator Montgomery commented that he felt someone who had spent 20 years in service should have something in lieu of retirement, because you cannot receive full retirement after 20 years. He said he would appreciate the committee's giving the proposal full consideration.

Senator Hess commented that another reason for the present provision is that women felt they were discriminated against, since very few had military service. Senator McCray said he felt the mood of the country had changed since the matter was discussed several years ago.

No action was taken on HB 2630.

SB 770 - Changes in Bingo Laws

Senator Francisco appeared to alert the committee to a problem in printing on SB 770. He said that the "200" in lines 118 and 122 should be changed to "250" because the motion in the Senate Federal and State Affairs Committee was amended to read "250." He further noted that, on line 118, the word "No" should be deleted and the words "Any leased" inserted. He requested that someone on the Ways and Means Committee take time to talk to the Chairman of the Federal and State Affairs Committee to eliminate the confusion regarding the provisions of subsection (q).

Attachment F, a letter from Erlene Kistler, Topeka, was distributed to each member of the committee.

SB 770 - Continued

Mr. Wilks reviewed SB 770 as amended by the Federal and State Affairs Committee, with particular attention to subsection (i) on page 2. He explained that the amendments had been requested by his department to clarify charges and make it easier to administrate. There were questions from committee members concerning the amendment.

Senator Hess asked about the gross receipts in bingo parlors and the amount netted to the charitable group conducting the games. He said the average gross receipts for one night are between \$1,600 and \$1,800. This is an average for a three-hour time period. Net to the charitable groups can be from four percent to 17% of gross.

Senator Hess then asked if it would be possible to provide that a certain percentage of gross receipts must go to the non-profit group. Mr. Wilks said there would be complications, because of the difference in metropolitan areas (where there are choices) and rural areas; and that the parlors probably would not guarantee the amount of prize money to be given in any one evening. Because of those and other factors, attendance would be reduced and nobody could make money.

The committee recessed for lunch.

12:30 p.m. - Committee reconvened

Rev. Taylor's comments were distributed to each member of the committee, since he was unable to attend the afternoon meeting. (See Attachment F-2)

Ms. Wagle appeared in support of SB 770, stating that her organization is legally operated, and that she has nothing to hide. She said 1984 SB 401 would force parlors to close; and that the amendments in that bill were added in the light of negative publicity.

Ms. Wagle continued by stating that most of the money taken in by her parlor is given in cash awards, and that if a bingo parlor is properly managed the only profits are snack bar profits. She said organizations make approximately \$12,000 per year for their charities.

Ms. Wagle asked for support of SB 770 for the following reasons: (1) the enforcement is intact; (2) there is specific language on cards; and (3) it reinstates playing 6 days a week. She added that it originally was 7 days a week and she would prefer that to 6 days.

Senator Bogina asked Ms. Wagle if she agrees with the bill as printed. She said she would like to see it changed to 7 days of playing bingo, and that the 200 be changed to 250, or no restriction at all.

Senator Hess asked Ms. Wagle if she would have any objection to a percentage of profits minimum of 10%. She answered she would have objections. When asked if she had any who made under 10%, she said she didn't think so, but could not be certain. She said there are groups who do not run their games properly, and if there were a minimum of 10% net to those groups, she would lose money. Senator Hess commented that he thought she could ask them to go elsewhere.

Mr. Nave presented a statement by Mike Needleman (Attachment G). He commented that the Blessed Sacrament Church does not want to go back to playing in their church building, but would like to continue playing in a bingo parlor.

SB 770 - Continued

Mr. Bailey distributed a letter and resolutions signed by members of various Optimist clubs in Kansas expressing support of SB 770. (Attachment H) He indicated there are many people who are helped by Optimist Clubs, and if the Bingo Parlors are closed for all but three days each week, these contributions will cease. He added that his club netted 15% the past two years, and he recommended that the playing time be increased to seven days each week.

In answer to a question from Senator Bogina, Mr. Bailey said his objection was basically to the number of days of playing time in SB 401, and that said he did not have any problem with the split parlors.

Mr. Barker indicated he represents a bingo sponsors' organization recently formed to address the law. He said most of the sponsors do not own property, and would be eliminated from playing bingo if SB 401 is not amended. Senator Bogina asked Mr. Barker if his groups might play in buildings owned by not-for-profit organizations, and Mr. Barker indicated he felt that would make the building in question a bingo parlor. He further stated that a majority of money received in those buildings is spent on the individuals operating the games, and not on charity as civic clubs spend their bingo earnings.

Mr. Ivan presented Attachment I, and reviewed his written testimony. Following his presentation, he urged grandfathering the two premises which are currently divided if that portion of the measure remains intact. There were questions from committee members concerning Mr. Ivan's suggestions.

Senator Talkington asked Mr. Ivan if Tri G & L Inc. is a Kansas Club, and if the principals operate in any other state. Mr. Ivan replied that it is a private club, and does not operate in any other state. He explained that the fathers of the two men operating Tri G & L operate in other states, primarily in Arizona.

Senator Talkington then asked if there are divided parlors in states where the relatives of Tri G & L owners operate. Mr. Ivan said he did not think so. He explained that the division of the Kansas parlor came about because the building is so large, and also because border parlors must compete with Missouri laws.

Senator Hess asked Mr. Ivan to furnish the percentage of gross income derived by the bingo sponsors. Mr. Ivan said he thought he would be able to furnish that information.

Mr. Hodges furnished a copy of the Arizona statute concerning regulation of bingo. (Attachment I (1)) He noted there are 14 charitable organizations playing at Circus Plaza, and suggested that if they were not making money they wouldn't stay at that parlor. He added that cutting the playing of bingo to three days a week (SB 401) would eliminate all participants from making money.

In answer to a question from Senator Bogina, Mr. Hodges said he has been a resident of Kansas for 20 years.

Senator McCray asked Mr. Hodges if he foresaw a professional bingo parlor as the coming thing, with churches, service organizations, etc., using parlors instead of their own premises. Mr. Hodges answered in the affirmative.

Mr. Roy indicated that paragraphs (q) and (r) in SB 770 should be deleted, and the word "capacity" should be deleted. He noted that subsection (q) is discriminating to small churches and small organizations. He added that subsection (r) related to his parlor; and that it would be much more expensive to operate his parlor if it could not be subdivided, because of the overhead involved.

SB 770 - Continued

Mr. Roy indicated that his lease was examined by the Department of Revenue and was approved; and that the State Fire Marshall inspected the premises thoroughly.

Mr. Briggs distributed his written testimony (Attachment J). He reviewed his testimony, and answered questions from committee members.

Mr. Miller recommended the following changes in SB 770: (1) A change in price of games from \$.50 to \$1.00; (2) Deletion of Section (q); (3) Deletion of Section (r). He added that state laws should provide equal opportunity for all people; and that if SB 770 is passed as printed, it would remove the very ideals the country and state were founded on.

In answer to a question from Senator McCray, Mr. Miller said the Topeka Jaycees were not involved with the initial bingo law. Answer to a question by Senator Bogina revealed that they were not conducting bingo games when the law was passed.

Ms. Best indicated that her club's games are run at Circus Plaza, and if SB 401 is allowed to stand, the club will be without funds. She stated she supports the amendments of SB 401 in SB 770 to allow playing time of at least six days a week. In addition, her club would like to strike the provision disallowing divided halls. She further stated that the limit on capacity on SB 770 is not feasible, because the club begins making money when the players reach 190 in number.

Mr. Bowden distributed Attachments K, L, and M for the committee to read.

Ms. Bean, Sweetbrier Bingo, Wichita, reiterated testimony presented above.

Mr. Berger indicated that bingo raised no problems in the State of Kansas until it became legalized. He noted that the bingo parlors create competition for various clubs, and that some of the clubs have closed their bingo operations because there is no profit. He said that most clubs must charge more for bingo cards because the seating capacity is less than in bingo parlors. He added that, in Wichita, bingo cards are selling for \$.25. He said that, in order to make a decent pay-out to players, private clubs must collect more than \$.50 a card, as provided in SB 770.

Mr. Berger stated that most clubs have liquor licenses and are checked by A.B.C. agents, both for liquor and bingo. Because bingo parlors do not have liquor licenses, there is no reason to check them.

At Senator Bogina's request, Mr. Berger agreed to put his comments in writing. (Received March 15, 1984, and marked Attachment M-(1)).

Mr. Brannum presented a letter from Kenneth Nickel, Professor of Secondary Education at Wichita State University. (Attachment N)

Mr. Brannum indicated he is in agreement with Mr. Nickel's letter. He further stated that he feels the enforcement provisions of SB 401 are good, but the three-day limit provided by that measure would put a lot of honest people out of business.

SB 770 - Continued

Ms. Bean asked to discuss further subjects regarding operation of bingo parlors. She stated she opened a parlor because the places where she had been playing were not clean. She said she was not aware she was going to be accused of being an underworld figure. She further stated she has offered her books to anyone who would like to examine them. She questioned why she should not make money on her own business.

Mr. Wilks noted that he felt there could be better language in subsection (i) of SB 770; and suggested it might read "\$.50 per face" to eliminate confusion.

Senator Bogina asked Ms. Bean to provide the committee with a list of people currently playing in her parlor. She agreed to do so.

Mr. Rendall questioned the placing of "200" in line 118 of SB 770, and indicated he thought it should be "250". Mr. Coldsnow explained that, at the Federal and State Affairs Committee meeting there was a motion to make the figure "200" but was amended to "250". The committee report which was filed indicated "200" and the bill reads that way. He said the committee may wish to amend the bill as intended by the first committee.

The meeting was adjourned by Senator Bogina in the absence of both the Chairman and Vice-Chairman.

STATE OF KANSAS



Office of the State Treasurer

JOAN FINNEY
STATE TREASURER
Telephone
(913) 296-3171

700 Harrison
P.O. Box 737
TOPEKA, KANSAS 66601

February 29, 1984

The Honorable Paul Hess, Chairman
Senate Ways and Means Committee
State Capitol Building - Room 123-S
Topeka, Kansas 66612

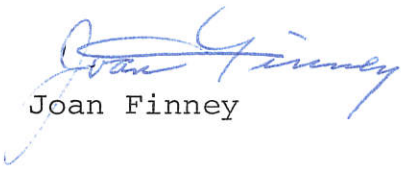
Dear Senator Hess:

I spoke with you recently regarding an amendment to the Un-claimed Property Act. I have enclosed a copy of the proposed amendment which would limit "finder's fees" to ten percent of the recoverable property.

I will appreciate it if a member of my staff would be granted the privilege of testifying on behalf of this proposal.

Thank you again for your help and support in unclaimed property legislation.

Sincerely yours,


Joan Finney

JF:gw

PROPOSED AMENDMENT FOR UNCLAIMED PROPERTY

K.S.A. 58-3932. Recovery of property agreements unenforceable, when. All agreements to pay compensation to recover or assist in the recovery of property reported under K.S.A. 58-3912, and amendments thereto, made within 24 months after the date payment or delivery is made under K.S.A. 58-3914, and amendments thereto, are unenforceable.

Such an agreement made more than 24 months after payment or delivery is required pursuant to K.S.A.-58-3914 is valid if the fee or compensation agreed upon is not in excess of 10 percent of the recoverable property and the agreement is in writing and signed by the owner after disclosure in the agreement of the nature and value of the property and the name and address of the person or entity in possession of the property. Nothing in this section shall be construed to prevent an owner from asserting, at any time, that any agreement to locate property is based upon an excessive or unjust consideration.



KANSAS DEPARTMENT OF CORRECTIONS

JOHN CARLIN — GOVERNOR

MICHAEL A. BARBARA — SECRETARY

JAYHAWK TOWERS • 700 JACKSON • TOPEKA, KANSAS • 66603
• 913-296-3317 •

TO: SENATE WAYS AND MEANS COMMITTEE
FROM: MICHAEL A. BARBARA, SECRETARY OF CORRECTIONS
RE: S.B. 810
DATE: March 8, 1984

BILL SUMMARY

This bill provides for amendments in four areas:

(1) the "Kansas Reports" would be distributed to all correctional institutions and facilities for the use of inmates, not just Kansas State Penitentiary and Kansas State Industrial Reformatory;

(2) the Secretary of Corrections would be authorized to accept for the department any gift of property which would enhance the services provided by the department;

(3) the release gratuity would be fixed at \$100. Certain inmates would be excluded from consideration. Transportation for inmates upon release is clarified;

(4) the money reimbursed to the state for room and board by inmates working in private industry programs would be deposited to the correctional industries fund, not the state general fund as is currently the law.

DEPARTMENT POSITION

The Department of Corrections favors all four of these amendments for the following reasons:

(1) "Kansas Reports"--the State has an obligation to provide legal resources to inmates. Inmates at all institutions should received equal access to these materials. Distribution to all correctional institutions and facilities will help meet the State's obligation in this area.

(2) Accepting gifts--on several occasions in recent years the Department of Corrections has been offered gifts of property. No statutory authority for the acceptance of these gifts exists.

Senate Ways and Means Committee
Page 2
March 8, 1984

There is no statute which prohibits the acceptance. Other state agencies have specific authority in this area. Such specific authority for the Secretary of Corrections is requested in order to remove any doubt as to the propriety of accepting such gifts.

(3) Release gratuity--several years ago the Department of Corrections established, due to budgetary constraints, a ceiling of \$100 on release gratuities. The current budget and the proposed budget for FY 1985 reflect this amount. However, in November, 1983, the District Court of Leavenworth County found this ceiling to be improper because it did not consider the "need" of the inmate being released. Consequently, the Department issued a new policy. This new policy allows inmates to receive more than \$100. Thus, potential gratuity payments exceed budgeted amounts. The amendment would return the Department to the position prior to the November court decision.

(4) Deposit to correctional industries fund--this permanent transfer of funds would earmark approximately \$66,000 per year for the expansion of jobs in Kansas Correctional Industries. Currently, half of the state's inmates have no work or educational program in which to participate. Idleness of this magnitude, as noted by Legislative Post Audit's Prison Industries audit, can have serious ramifications for the stability of the prison system. While this transfer will obviously not eliminate idleness, it will enable the Department to reduce idleness using funds generated by inmates themselves.

MAB:CES:DAB/pa

Good morning. My name is Joyce Stover. I am the Executive Director of the Mined Land Conservation and Reclamation Board, a regulatory authority of surface coal mining and reclamation operations, whose office is located in Pittsburg, Kansas. I am here today in support of Senate Bill 812. This bill provides that civil penalty assessments be excluded from deposit with the state treasurer and be deposited in interest bearing escrow accounts.

Civil penalties are assessed the coal operator on Notice of Violations issued when conditions within the mining and reclamation activities are in non-compliance with the regulations governing those activities.

K.S.A. 49-405c (c) and K.A.R. 845.19(b) provide that civil penalty assessments be placed in interest bearing accounts. Passage of Senate Bill 812 is necessary for compliance with these regulations.

Senate Bill 812 will allow the Mined Land Office to fully administer Article 15 Civil Penalties section of the Kansas Administrative Regulations.

I request your approval of Senate Bill 812. Thank you for your attention in the matter.

AHB
3-8-84

March 8, 1984

Sen. Paul Hess, Chairperson
Senate Ways and Means Committee
Kansas State Senate

Attached are amendments to SB 816 as recommended by the Pittsburg
& Midway Coal Mining Company.

For P&M Coal Mining Company

Mark Prews
Resident Engineer
Midway Mine

AHC
3-8-84

My name is Mark Premo and I am here today on behalf of The Pittsburg & Midway Coal Mining Co., a wholly owned subsidiary of Gulf Corp. I am the Resident Engineer at Pittsburg Midway's Midway Mine, which is located approximately 92 miles southeast of Topeka, near LaCygne, Ks.

I would like to express P&M's concern and proposal relative to Senate Bill 816. What I am offering for your consideration is modification of language found in lines 0187 thru 0201 in the proposed S.B. 816.

(g)(1) should read as follows: A basic fee of \$50. plus a fee as provided by subsection (2) and (3) hereof; delete subsections (g)(2) and (3) of proposed S.B. 816, 49-206 and insert in lieu thereof the following revised subsections (g)(2) and (g)(3).

(2) Each permittee shall be assessed on up to a maximum of 300,000 tons sold each calendar year at the rate of not less than \$.06 and not more than \$.15 per ton for one half the costs of Administrative And Enforcement Provisions of the Mined Land Conservation And Reclamation Act.

(3) The per ton fee shall be paid to the Board on a quarterly basis. The per ton fee shall be due within 30 calendar days after the beginning of each calendar quarter.

REASONING:

This proposed funding is an adaptation of the principles found in the Act, Section 49-406(g). This language proposes that the funding be derived on a per ton basis from produced (sold) tonnage of coal mined in Kansas. This language also proposes that a limit of 300,000 tons be set as a maximum tonnage on which the operator is required to pay the assessment. All coal produced in excess of 300,000 tons annually by an operator would not be subject to the assessment.

This concept would provide an adequate, uniform and predictable revenue stream to the KMLCRB. Additionally, the establishment of a maximum

tonnage limitation to which the assessment applies treats all of the Kansas coal mine operators in an equitable fashion.

It is estimated that the operator's share of the KMLCRB, A&E budget for fiscal year 1985 is approximately \$145,000. Under the program proposed by this language, an assessment of approximately \$.06-\$.15/ton would provide the necessary revenue.

ALTERNATE FUELS INC.

COAL MINING & RECLAMATION

"COAL FOR ENERGY"

DAVID C. UTERMÖHLEN
PRESIDENT

GEORGE M. BARBERICH
VICE-PRESIDENT

LEWIS G. KALM
V.P. PRODUCTION

March 8, 1984

The Honorable Senator Paul Hess, Chairman
Senate Ways and Means Committee
State Capitol Building
Topeka, Kansas 66683

RE: SENATE BILL No. 816

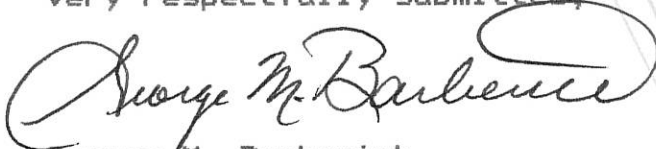
Dear Mr. Chairman and Members of the Committee:

My name is George M. Barberich and I am Vice-President of Alternate Fuels, Inc. Alternate Fuels, Inc. is a surface mining concern located in Crawford County Kansas. I bring before you testimony in support of Senate Bill 816. The coal operators are required to provide approximately fifty (50) percent of the monies needed to fund the operations of the Kansas Mined Land Conservation & Reclamation Board. As required by Statute, permittees now pay a \$50.00 permit fee along with \$50.00/acre of permitted lands.

Senate Bill 816 will provide a more reasonable solution to meeting the funding needs of the Mined Land Board. It will provide a more uniform cash flow based on production, and allow coal operators and the regulatory authority to conduct sound financial management decisions based on capital outlays for permittees and budget constraints placed upon the regulatory authority.

Alternate Fuels, Inc. respectfully requests that the Ways and Means Committee will understand the importance of Senate Bill 816 and the positive impact it will provide for the coal industry of Kansas, and the Kansas Mined Land Conservation and Reclamation Board that serves it.

Very respectfully submitted,



George M. Barberich
Vice-President

JERRY W. COLE, *Chairperson*
 MARY ANN GABEL, *Executive Secretary*



214 W. 6th, Room 201
 Topeka, Kansas 66603
 913/296-3240 KANS-A-N 561-3240

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 BARBARA L. KOVAROVIC
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BEHAVIORAL SCIENCES REGULATORY BOARD

S.B. 819 TESTIMONY BEFORE THE SENATE WAYS AND MEANS COMMITTEE

March 8, 1984

Mr. Chairman and Committee Members:

I am Mary Ann Gabel, Executive Secretary of the Behavioral Sciences Regulatory Board, appearing before you today in support of S.B. 819.

S.B. 819 was introduced at the board's request to provide for an increase in examination fees for social work applicants. The board has been purchasing social work applications from Professional Examination Service (P.E.S.) at a cost of \$35.00 per examinee. The board staff has had sole responsibility of exam administration which included assigning identification numbers, securing volunteer proctors, exam sites, ordering test materials, delivering and picking up exam materials to three different sites across the state, mailing notices to examinees, and returning test materials to P.E.S. The board paid mileage to volunteer proctors and staff. Examinations were held three times during the year--April, July, and October.

The board has now made arrangements with P.E.S. to purchase the administration of the examination which included the above stated responsibilities at a cost of \$40 per examinee.

The examination fee charged to applicants is currently at statutory limitation of \$50. The breakdown of the fee is as follows:

\$50	Examination Fee
<u>-10</u>	20% State General Fund
\$40	P.E.S.

E
 3-8-84

The board fee fund will be required to subsidize the handling fees which include postage, processing, etc.

The board voted at its February meeting to increase the examination offerings from three to four per year. This decision was made in direct response to SRS. Given the board's limited resources and staff along with the availability of volunteer proctors, the decision was made at that time to purchase the examination administration from P.E.S.

The board administers the examination to approximately 400-450 social work applicants per year. The increase in purchasing administration is reflected as follows:

400 Examinations	@ \$40	= \$16,000
400 Examinations	@ \$35	= <u>\$14,000</u>
Increased Cost		\$ 2,000

The board is also considering changing to another examination which has been developed by the American Association of State Social Work Boards. The board anticipates increased reciprocity advantages through the use of this examination as more and more states requiring licensure are adopting this examination. The cost of this examination is currently \$50. If this exam were currently used, the board fee fund would subsidize the cost of every exam in the amount of \$10 plus handling costs.

In order to cover the cost of the exam, state general fund, and handling costs, based on the current \$40 cost, the board will need to increase the cost of the examination to social work applicants to \$55 which would be \$5 above the statutory limitation. The \$5 increase would provide revenue for handling costs which include postage, processing, etc..

I will be happy to provide any additional information you may need or desire.

On behalf of the board, I urge your support of S.B. 819.

Thank you.

1510 Collins
Topeka, Kansas 66604
March 1, 1984

RE: SB 770 and/or SB 401

At this time I do not know what the final disposition of SB 401 will be, however, I want to make a few comments for your consideration.

Oakland Rebekah Lodge and Oakland IOOF Lodge have been licensed to conduct bingo games since 1975. Each Lodge owns half interest in our Lodge hall located in Oakland in Topeka.

The original legislation, I believe, provided that only one game could be conducted at one location in any one day. This paragraph is still in the current law and is in SB 401 as well as in SB 770, 79-4706, paragraph (g).

Also, this same 79-4706, paragraph (j) as printed in the Bingo Regulations (revised May 1981) provides for only two games by any licensee in one week. This still remains in SB 770.

We have abided by these regulations although it would be much more convenient and/or economical for us if we could have had both games in one day - one in the afternoon and one in the evening.

WE FEEL THE ONLY CHANGE NECESSARY IS TO PUT THE 3% TAX INTO ENFORCEMENT AND THAT ALL GAMES, PARLORS, ETC. COMPLY WITH THE ORIGINAL STATUTE.

For the month of February 1984, our Rebekah Lodge is paying \$300.59 in Enforcement Taxes and our Odd Fellows Lodge is paying \$159.85. Rebekahs have 2 games a week and the Odd Fellows play only one.

Since the advent of the Bingo Parlors in the area, the games on the reservation, etc., we have been experiencing some loss in income. This is the reason for 2 games per week since July. We can appreciate these smaller organizations wanting to conduct Bingo games as a source of revenue. We, too, contribute to lots of charities, scholarship funds, and maintain our Hall.

We have had 130 players at one time but we were very crowded. Our games average 100 players or less. At .50¢ a card we are definitely going to be hurting. We can not accommodate enough players to compete with the bingo parlors.

We feel the ones who are really profiting from Bingo Games are the owners and operators of Bingo parlors. I do not believe that was why Bingo was legalized in Kansas.

Sincerely,

Erlene Kistler
Erlene Kistler

F
3-8-84

"There would seem to be an inconsistency in demands for consumer protection agencies, coupled with demands for legalized gambling. As professor Irving Kristol pointed out on this page several months ago, gambling is 'technically a swindle: the payoffs on bets must be less than fair, and the overwhelming majority of the 'investors' must eventually lose their money, if the gambling enterprise is to survive and prosper.' Therefore, he noted, the case for legalized gambling is 'simply an argument in favor of the government raising revenues by swindling its citizens rather than by taxing them'"

GAMBLING AND THE GOVERNMENT
The Wall Street Journal, Jan. 4, 1974

When Thomas Kelly, Director of the Kansas Bureau of Investigation, appeared before the Senate Federal and State Affairs Committee on February 19, 1981, he presented his research on the relationship of legalized gambling and increases in illegal gambling and other crime. He quoted from the 1973 Illinois Legislative Investigating Commission Report:

"...when the State participates in an activity which is otherwise criminal in nature, it must scrupulously maintain the highest standards among the other persons and organizations permitted to participate in that activity."

The issue today is not how a very small part of what poor people lose in bingo gambling parlors goes for a good cause. The issue is commercial gambling. It is technically a swindle, theft by deception. It is an activity criminal in nature. Commercial gambling is legal skimming. It is a legal criminal enterprise. How many problems like this would you have if parimutuel, lottery, and casino gambling were legal in Kansas? Quality of life would be improved if lawmakers had the courage to get rid of bingo gambling totally.

We are told that gambling profits go for a good cause. As a pastor in Salina back in 1958, before it was legal, a local veterans group conducted bingo gambling games. When I questioned a member about the operation, he said it was OK because the proceeds went for a good cause. What cause? Christmas baskets for the needy. All the profits? No, just 10% of the profits went for Christmas baskets, the other 90% bought alcohol for members.

Veterans groups claimed it was all right to disobey the law for a good cause because they had defended their country. I wore gold braid and served as Gunnery Officer aboard ship, but did so to serve my country where state constitutions are a bulwark for consumer protection by not permitting the public to be swindled by commercial gambling operators.

When the legislature approved legal bingo gambling and voters ratified what the legislature approved, no one had bingo gambling parlors in mind. Games were to be operated by and played on the premises of organizations permitted this form of commercial gambling.

SB 770 should be killed because SB 401 is needed legislation passed by a wide majority in House and Senate. Bingo parlors have a state license to steal. Will lawmakers now cave in to pressure from these legalized swindling operations?

If permitted to operate legally, shoplifters would gladly give a very small portion of their loot to a good cause, but it would still be stealing. Commercial gambling destroys people. The gambling operators get richer and the poor get poorer. Taking from people what they can not afford to lose because a very small portion goes for a good cause is the logic of a sick mind.

Kansas City Times

February 11, 1984

KC mob is a 'criminal enterprise,' U.S. will seek to prove in court

By John T. Dauner
A Member of the Staff

A special federal grand jury dealt the Kansas City mob its third major blow in less than three years Friday with an indictment charging the hierarchy with running a "criminal enterprise" and with engaging in five major criminal conspiracies.

The indictment marks the first time the federal government has gone to court in Kansas City to try to prove that the mob exists in this area and acts as an organized interstate business.

Those named in the indictment are Carl Civella, 74; his son, Anthony Civella, 53; Carl DeLuna, 56; and Charles Moretina, 55. All except An-

thony Civella are in federal prisons. Carl Civella and DeLuna are serving 30-year terms, and Moretina is serving a 20-year term.

The names of the four are cited repeatedly in the alleged conspiracies, which range from plotting murder to skimming proceeds from Las Vegas, Nev., casinos and a Kansas bingo parlor.

The indictment is the third handed down in the city since November 1981 that involves the four defendants. Carl Civella, Moretina and DeLuna were convicted along with six other persons in a case that charged that they illegally skimmed money from

the counting rooms at the Tropicana Hotel and Casino in Las Vegas. The three also are defendants with 11 other Kansas City and national mob figures in a case alleging skimming from two other Las Vegas casinos.

The investigation that led to this and the other indictments began in April 1978 when the FBI, using a court-approved electronic eavesdropping device, intercepted a conversation between DeLuna and Carl Civella about control of Las Vegas casinos. That was followed by more wiretaps and a series of law enforcement raids on Valentine's Day in 1979 on the homes of the defendants and others in which authorities seized

See INDICTMENT, Page A-13, Col. 1

Bingo profits skimmed, charge says

By Ted Cilwick
A Member of the Staff

It is the one thing that opponents of bingo or other forms of legalized gambling invariably fear: infiltration by organized crime.

But until Friday, the mob's interests in bingo had generated nothing more than suspicion among law enforcement agencies in Missouri and Kansas.

On Friday a federal grand jury in Kansas City indicted the four top members of the Civella crime family for conducting a criminal enterprise that included skimming \$111,128

from bingo proceeds of a veterans post in Kansas City, Kan.

The bingo game was run by Amvets Post 34 and its women's auxiliary at a hall at North Fifth Street and Washington Boulevard. The operation "was a sham designed to produce additional income for" the Civella family, according to the indictment.

Robert Davenport, special agent in charge of the FBI in Kansas City, said it is the first time federal charges have been filed in either state stemming from the underworld's alleged infiltration of bingo.

Charged in the indictment were family leaders Carl Civella and Carl DeLuna and underbosses Anthony Civella and Charles Moretina. They face 20 years and \$25,000 in fines.

The indictment's brief description of the bingo operation alleges that DeLuna, Moretina and Anthony Civella traveled across state lines to Kansas City, Kan., from 1976 to 1979 to establish the bingo games and obtain the proceeds.

No members of Post 34 are charged. It is not believed that many

See FOUR, Page A-13, Col. 1

Indictment is first to say KC mob runs a 'criminal enterprise'

Continued from Page A-1

cash, bookkeeping notes, guns and other evidence.

"This is the first prosecution which focuses on the Kansas City mob or outfit as a criminal enterprise and specifically charges the defendants with being leaders of the criminal enterprise and with engaging in criminal acts associated with such criminal enterprises," U.S. Attorney Robert G. Ulrich said after the indictment was returned.

The latest indictment charges that the defendants conspired and engaged in criminal activities in furtherance of the enterprise in violation of the Racketeer Influenced and Corrupt Organizations Act.

The act, passed by Congress in 1970, was the government's first attempt to attack organized crime as a business enterprise rather than only through criminal acts of individual mob figures. Conviction under the act carries a maximum penalty of 20 years in prison and a fine of \$25,000.

The indictment asserts that since 1969 the defendants, as well as the late Nick Civella, were the leaders of the enterprise. It cites the five conspiracies and numerous other criminal acts that the government contends constitute a "pattern of criminal activity" that supports the charge.

The indictment stated that members of the enterprise are "a highly disciplined organized criminal group of which, until his death, Nick Civella is the leader." It said that Nick

Civella's brother, Carl, and "from time to time" DeLuna, served as second in command. Moretina and Anthony Civella were identified as subordinate leaders. DeLuna also was identified as serving as "secretary-treasurer of the enterprise."

The five conspiracies that make up the alleged pattern of criminal activities are:

- From Jan. 1, 1976, to Feb. 14, 1979, the defendants invested in a bingo game in Kansas City, Kan.,

purportedly run by veterans, and skimmed \$111,128 from the proceeds of the game.

- From January 1978 to Jan. 9 of this year, Anthony and Carl Civella and DeLuna conspired to murder Carl Spero, a rival mob figure, who was killed Jan. 9 by a bomb detonated in the office of a used-car lot on East 12th Street. The indictment cites conversations among the Civellas, DeLuna and others about obtaining weapons and finding a suitable

means and location for the man's murder.

- From Aug. 9, 1978, to Feb. 14, 1979, the defendants and others attempted to maintain illegal hidden control of the Tropicana and skimmed \$280,000 in gambling receipts from the casino. That money was distributed among the defendants and other mob figures in Kansas City and Chicago. Except for Anthony Civella, who was not charged in the Tropicana case, the defen-

dants in this case and six other men either pleaded guilty or were convicted by a jury on charges stemming from that investigation.

- In the late 1970s the defendants in this case conspired with others to take control of the Argent Corp., which then operated casinos in Las Vegas. An indictment returned Sept. 30 by a special federal grand jury in Kansas City charged Carl Civella and DeLuna along with 13 other mob figures from Kansas City and four

other cities with secretly controlling Argent and with skimming \$2 million from the Argent-owned Stardust and Fremont casinos. One defendant in that case already has pleaded guilty.

The case has been scheduled for trial next Jan. 14. Anthony Civella and Moretina were not charged in that indictment.

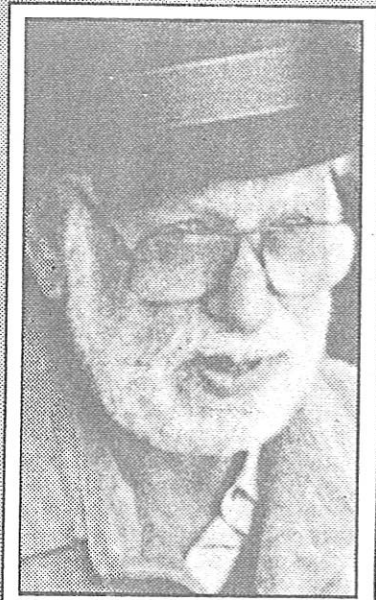
- From 1969 to 1982 the enterprise engaged in sports bookmaking in violation of Missouri and Kansas law and illegally used interstate communications.

Anthony and Nick Civella were convicted of sports bookmaking in 1975 and were sentenced to prison.

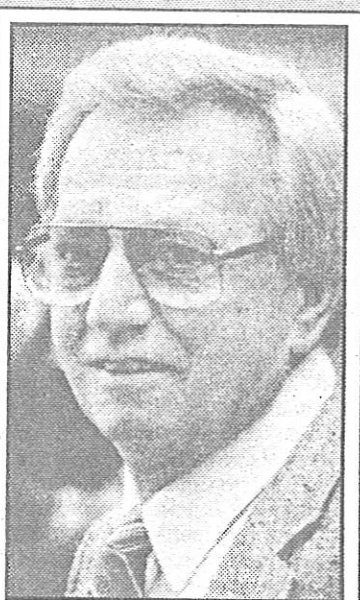
In 1980, Nick Civella and two other men were convicted of conspiring to attempt to bribe a federal prison warden to move Anthony Civella from one Texas prison, where he was serving the gambling term, to another. Nick Civella was sentenced to prison.

Last Aug. 19, Anthony and Carl Civella were indicted by a special federal grand jury with four other area residents on charges of conducting an illegal gambling operation between November 1981 and April 1982 and of using interstate telephones and travel to conduct unlawful betting on professional sports. That case is pending.

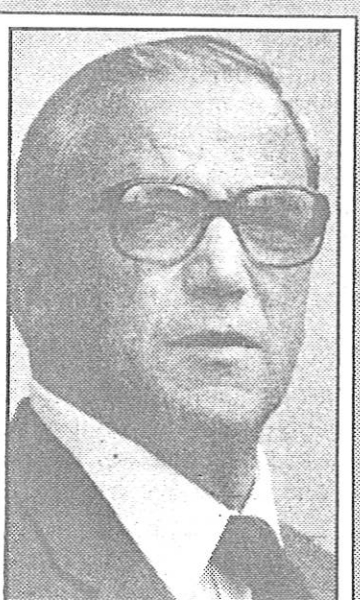
In a separate indictment returned Friday, Moretina was charged with filing false income tax returns for 1977 and 1978. The indictment alleged that Moretina did not report income he received from the operation of the criminal enterprise.



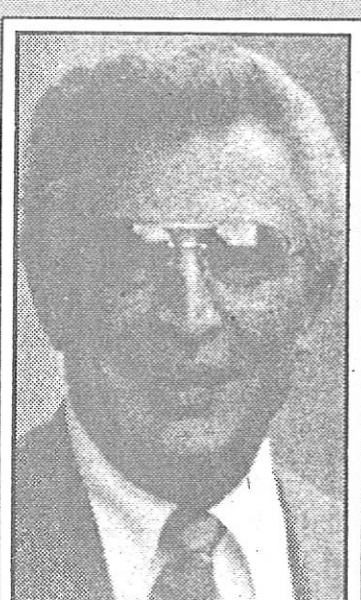
Carl Civella



Anthony Civella



Charles Moretina



Carl DeLuna

File photos

Four members of Civella family skimmed bingo profits, charge says

Continued from Page A-1

members knew the mob allegedly had a hand in the till.

The Civella outfit's connection at Post 34, sources said, was the late Joseph F. Kostelac, a former Kansas state Amvets commander with a string of convictions on charges including gambling and tax evasion. Mr. Kostelac, whose convictions once led to a suspension of the post's bingo license, died of a heart attack in December 1982.

National and local Amvets officials on Friday declined to discuss the revelation that the mob had allegedly infiltrated one of its posts. "They (Post 34) are not on good standing with us," said Peggy Seipel, membership director of the national Amvets group.

Federal investigators and prosecutors on Friday maintained their customary reluctance to discuss the charges further.

Interviews with other law enforcement agents and members of the post and inspection of Kansas Department of Revenue records, court documents, sworn testimony and other reports, paint this picture of

Post 34's bingo games:

In December 1975, a few months after bingo was legalized in Kansas, a small group of men established Amvets Post 34 in Kansas City, Kan. Amvets is a nationwide organization of veterans of World War II and the Korean and Vietnam wars with 200,000 members.

The rapid-fire creation of Post 34 and other veterans posts around Kansas later provoked testimony at a legislative hearing in 1976 that they were only established to profit from bingo.

Post 34 received its charter from national headquarters in Washington on Dec. 8, 1975. A week later it applied to the Kansas Department of Revenue for a bingo license.

Similarly, the women's auxiliary held its first meeting on May 21, 1976. The only business conducted after election of officers was a vote to apply for a bingo license, according to minutes of the meeting. Five days later, they applied.

The *Kansas City Times* tried to reach all 10 charter members of the men's group. Six could not be found; two had no comment.

One of the other two is Paul Antos, then a county treasurer and now a

county commissioner. "I belong to every club in Kansas City," Mr. Antos said. "You know why I belong? Because I'm a politician. And that's exactly what I told the FBI."

The 10th, Charles Branner, was the post's first commander. In a telephone interview this week, he denied that the club was established merely to reap bingo profits. He said the post eventually used bingo proceeds for charitable purposes, including the purchase of television sets for patients at the Veteran's Administration Hospital in Topeka.

But Mr. Branner said that the charter members — mostly businessmen — had little time to actually run the post. He said that they turned to Mr. Kostelac, the former state Amvets commander and a member of the post in Hutchinson.

Mr. Kostelac also was a well-known local private-club operator who had run afoul of the law numerous times in Wyandotte County.

In addition to his convictions, Mr. Kostelac testified with immunity before a 1973 federal grand jury in Kansas City, Kan., investigating protection payments by bar owners, gamblers and others. The probe resulted in the convictions of two policemen, a

lawyer and a massage parlor operator.

Law enforcement sources said that Mr. Kostelac's link to the Civella organization was through Moretina, long-described as one of the crime family's enforcers.

Post 34 hired Mr. Kostelac as a maintenance man at \$250 a week. But he did much more than tidy up the hall.

"He was the one who told us how to go about getting a charter and how to get a bingo license," club official Albert J. Smith said during a 1976 legislative hearing convened to deal with problems in the bingo industry.

Though other club members sought to downplay Mr. Kostelac's role, Mr. Smith testified that Mr. Kostelac lent the post \$15,000 to renovate the old grocery that the post used for its hall. Mr. Kostelac also helped negotiate the building lease and purchase bingo equipment, Mr. Smith testified.

Mr. Smith once was licensed to bartend in Mr. Kostelac's tavern, The Cougar Club, on North Fourth Street. And both of their wives eventually became officers in the women's auxiliary.

Legislators conducting the 1976

hearing were confused by Mr. Kostelac's role at Post 34. "Is he a chief or an Indian?" Rep. Ben Foster asked. "Mr. Kostelac is a very unusual maintenance man."

When the legislators asked for the post's books, the post's hired auditor produced a box of financial records and said they were "in a mess" and could not be used to shed further light on the bingo operations.

However, there was little question that bingo was posting a handsome profit for the veterans, including the period from 1976 to 1979, when the alleged skimming took place.

In 1981, for example, the men's and women's bingo games reported revenue totaling \$338,052, state records indicate.

The games often drew more than 200 players who vied for pots of up to \$1,200.

But the games also attracted an undercover Kansas City, Kan., detective in 1982. And Mr. Kostelac's presence provoked the suspension of both bingo licenses at the post.

A Revenue Department hearing officer found that Mr. Kostelac passed out bingo cards and otherwise helped run games at Post 34 — in violation of a state law that prohibits a felon

from associating with the operation of a bingo game within five years of his conviction. Mr. Kostelac had a 1978 federal income tax evasion conviction stemming from his failure to report \$15,900.

On Aug. 31, 1982, hearing officer Cleo G. Murphy suspended the licenses for 90 days.

Bingo resumed at Post 34 on Dec. 7, 1982. The next day Mr. Kostelac died of a heart attack in his home on North 53rd Street.

Not long after, the post closed when its charter was suspended for failure to renew its annual application, said Marion Gividen, an Amvets official in Wichita. The vacant brick building now is for rent. Mr. Gividen said he believed the post failed to renew its charter because Mr. Kostelac died.

Past and current Post 34 officials, including Mr. Smith, James L. Mace and Mr. Kostelac's brother, John, either refused to discuss the matter or said they knew nothing about the club. Mr. Gividen said Mr. Smith met last month with state Amvet leaders and obtained renewal of the charter, but the post's plans are unclear.

2-4-83

To: Who IT MAY CONCERN
FROM: Mike Needleman, President
The Blessed Sacrament Men's Club
RE: Senate Bill # 770

Friends:

I, Mike Needleman, President of the Blessed Sacrament Church Men's Club in Wichita, Kansas request that Harold S. Nay read this statement in my absence concerning Senate Bill #770 which is now before you.

For several years the Blessed Sacrament Men's Club has operated as a Bingo Club at Parklawn Bldg in Wichita and has abided by all state regulations and policies concerning bingo with a great deal of success.

Our main purpose as a church organization is to first and always fulfill the total needs of our parish and to pursue our overall stewardship to our church as requested through our faith.

The success we have attained via our bingo activities have enabled us to perform our stewardship and allow us to provide necessary improvements and programs to Blessed Sacrament.

In the recent years our total bingo receipts have been given to our church pastor for such areas as Building + Grounds improvements, school supplies, playground equipment, Cyo activities, youth programs, church school educational needs, upgrading of the school lavatory (men's + women's), energy efficient windows + entry ways, and other functional needs of our parish. We sponsor the summer baseball programs for the parish and non-parishians who live in the area who are allowed to also participate. In addition, we have provided over \$5000.00 to the new parish endowment fund in its initial stages.

Our relationship with Parklawn Bldg is excellent and has been the main vehicle to allow us our stewardship to the church and community. Our success has provided our efforts in excess of \$90000 to meet these ever growing needs in just the past year alone. This is
G 3-8-84

certainly a much greater and beneficial figure than we could attain through standard fund raising activities (i.e., bake sales, bazaars, pancake & chili feeds, etc.)

We therefore urge that Bill # 770 is passed in favor of the solid and honest bingo organizations, which, without their presence, we would be unable to pursue our stewardship in the manner that is most beneficial to Blessed Sacrament Church.

Please allow us to continue in our efforts with our friends at Park Lane Bingo.

Most Sincerely,

Michael Peelleman
President - B.S.M.C.

2/4/84

KANSAS DISTRICT

OPTIMIST  INTERNATIONAL®

SECRETARY/TREASURER

Delbert R. Turner
722 S. Kokomo
Derby, Kansas 67037
316-788-0165 Bus.: 263-7566

ASSISTANT SECRETARY - A & A

Robert A. Hesser
931 Kristen
Derby, Kansas 67037
316-788-1530

LIEUTENANT GOVERNORS:

ZONE 1

Phillip E. Perez
317 W. 9th
Larned, Kansas 67550
316-285-3424 Bus.: 285-3061

ZONE 2

Don Hornbaker
RT. 2
Stafford, Kansas 67578
316-486-2392

ZONE 3

Joseph W. "Bill" Rosenberry
1529 Rockwood Blvd.
Mulvane, Kansas 67110
316-777-1423 Bus.: 262-0671

ZONE 4

Bobby Brown
2656 N. Poplar
Wichita, Kansas 67219
316-684-2412

ZONE 5

William E. Moore
144 S. Dartmouth
Manhattan, Kansas 66502
913-539-5965 Bus.: 532-5674

ZONE 6

Keith Bodine
3721 Humboldt
Topeka, Kansas 66609
913-266-4192 Bus.: 235-1363

ZONE 7

Don Rectenwald
2234 Edward
Salina, Kansas 67401
913-827-8681 Bus.: 827-0326

ZONE 8

Paul E. Willingham
1403 W. 22nd St.
Lawrence, Kansas 66044
913-842-3810 Bus.: 843-9050
Ext. 191

ZONE 9

Gary R. Ross
839 S. Sycamore
Ottawa, Kansas 66067
913-242-5948 Bus.: 296-3016

ZONE 10

Harold F. "Hal" Metz, Jr.
8646 Haskell
Kansas City, Kansas 66109
913-299-1862 Bus.: 341-8600

ZONE 11

Louis "Eddie" Bruns, Jr.
2210 N. 50th Terrace
Kansas City, Kansas 66104
913-287-9373 Bus.: 287-5242

ZONE 12

William M. Textor
2111 W. 119th Terrace
Leawood, Kansas 66209
913-341-5590 Bus.: 649-1000

STEVEN D. GORRELL
GOVERNOR

1449 Dry Creek Ct.
Derby, Kansas 67037
316-788-1045 Bus.: 262-3707

"Commitment to Share"

March 8, 1984

GOVERNOR-ELECT

Gary L. Slimmer
5948 N.W. Westbrooke Dr.
Topeka, Kansas 66617
913-288-1291 Bus.: 286-0596

IMMEDIATE PAST GOVERNOR

Charles L. Kennedy
Rt. 1, Box 174A
Colwich, Kansas 67030
316-796-1083 Bus.: 796-1083

PAST GOVERNOR

Fred Thorp
4234 N. 109th Terrace
Kansas City, Kansas 66109
913-721-2473 Bus.: 371-2090

TO: Members of The Senate Ways and Means Committee.

RE: Senate Bill No. 770 (Bingo)

Dear Senators:

At our Kansas District Board of Directors Meeting in Wichita, Kansas on February 25, 1984, the enclosed resolutions were approved by eight Optimist Clubs who are sponsoring bingo games in the Wichita and Topeka areas.


The six clubs who sponsor games in Wichita all play at either Parklane Bingo or Towne West Bingo, both of which are operated and managed by Mr. and Mrs. Tom Wagle. We have been given notice that they will be forced to close for economic reasons if Senate Bill No. 770 is not passed allowing bingo parlors to remain open six days per week.

The eight Optimist Clubs involved in Wichita and Topeka, representing 479 members will earn approximately \$100,000.00 per year from bingo proceeds if allowed to continue and every penny of this will be returned to our communities through our youth and community projects.

We appeal to your good judgement and sense of fairness and ask that you please approve Senate Bill No. 770.

Thank you.

Sincerely,


Clyde W. Bailey, Past Governor
Kansas District, Optimist International
3435 So. Kessler
Wichita, Kansas 67217



H
3-8-84

RESOLUTIONS

Be it resolved by the Breakfast Optimist Club of Wichita, Kansas on this 25th day of February, 1984 that we express our deep concern regarding Senate Bill No. 401 regarding changes in the bingo laws of The State of Kansas.

Be it resolved that since our optimist club consisting of 36 members sponsors bingo games in The State of Kansas as our fund raising project to support our youth and community service activities, that we stand in favor of and commend that part of the bill which allows for enforcement of the bingo laws in the State of Kansas.

Be it resolved that we must stand against that part of the bill which allows bingo parlors to remain open only three days per week as it would be very discriminatory against those who do not own their own buildings and would be forced to give up bingo as a fund raising project thereby depriving those worthy organizations which we support. During the the past year we have earned \$16,249.22 from bingo and have spent \$14,659.51 in support of our youth and community projects.

These resolutions are approved by the following members representing the membership of The Breakfast Optimist Club of Wichita, Kansas.

NAME

TITLE

Walter W. Branum

President

Harold J. Coy

Secretary/Treasurer

Leif M. Ambrose

Finance Chairman

Alvin Hilmy

Bingo Chairman

RESOLUTIONS

Be it resolved by The DOWNTOWN Optimist Club of WICHITA, Kansas on this 25th day of February, 1984 that we express our deep concern regarding Senate Bill No. 401 regarding changes in the bingo laws of The State of Kansas.

Be it resolved that since our Optimist Club, consisting of 119 members sponsors bingo games in the State of Kansas as our fund raising project to support our youth and community service projects, that we stand in favor of and commend that part of the bill which allows for enforcement of the bingo laws in the State of Kansas.

Be it resolved that we must stand against that part of the bill which allows bingo parlors to remain open only three days per week as it would be very discriminatory against those who do not own their own buildings and would be forced to give up bingo as a fund raising project thereby depriving those worthy organizations which we support. During the past year we have earned approximately \$ 12291.86 from bingo and have spent approximately \$ 15664.54 in support of our youth and community projects.

These resolutions are approved by the following members representing the membership of The DOWNTOWN Optimist Club of WICHITA Kansas,

<u>NAME</u>	<u>TITLE</u>
<u>Harold S. May</u>	<u>Secretary</u>
<u>John Blahut</u>	<u>Treasurer</u>
<u>Edw. J. Bentler</u>	<u>Past President / Committee Chair. Fund Raising</u>
<u>Neal R. Stoppich</u>	<u>Fund Raising Comm.</u>
<u>Mike Faulkner</u>	<u>President</u>
<u>Harold Yarnall</u>	<u>Past President</u>

RESOLUTIONS

Be it resolved by The NORTH Optimist Club of WICHITA, Kansas on this 25th day of February, 1984 that we express our deep concern regarding Senate Bill No. 401 regarding changes in the bingo laws of The State of Kansas.

Be it resolved that since our Optimist Club, consisting of 56 members sponsors bingo games in the State of Kansas as our fund raising project to support our youth and community service projects, that we stand in favor of and commend that part of the bill which allows for enforcement of the bingo laws in the State of Kansas.

Be it resolved that we must stand against that part of the bill which allows bingo parlors to remain open only three days per week as it would be very discriminatory against those who do not own their own buildings and would be forced to give up bingo as a fund raising project thereby depriving those worthy organizations which we support. During the past year we have earned approximately \$17,500 from bingo and have spent approximately \$17,500 in support of our youth and community projects.

These resolutions are approved by the following members representing the membership of The NORTH Optimist Club of WICHITA Kansas,

<u>NAME</u>	<u>TITLE</u>
<u>James L. Brilman</u>	<u>President</u>
<u>Paul C. Allen</u>	<u>Bingo Chairman</u>
_____	_____
_____	_____
_____	_____
_____	_____

RESOLUTIONS

Be it resolved by The NORTHEAST Optimist Club of WICHITA, Kansas on this 25th day of February, 1984 that we express our deep concern regarding Senate Bill No. 401 regarding changes in the bingo laws of The State of Kansas.

Be it resolved that since our Optimist Club, consisting of 68 members sponsors bingo games in the State of Kansas as our fund raising project to support our youth and community service projects, that we stand in favor of and commend that part of the bill which allows for enforcement of the bingo laws in the State of Kansas.

Be it resolved that we must stand against that part of the bill which allows bingo parlors to remain open only three days per week as it would be very discriminatory against those who do not own their own buildings and would be forced to give up bingo as a fund raising project thereby depriving those worthy organizations which we support. During the past year we have earned approximately \$ 6,000.- from bingo and have spent approximately \$ 6,000.- in support of our youth and community projects.

These resolutions are approved by the following members representing the membership of The NORTHEAST Optimist Club of WICHITA Kansas.

NAME

TITLE

Dr. W. Franklin Williams

Member

James H. Smith

Eng. C. Chanson

David L. Collins

V. Pres.

Harold E. Walker

Pres.

RESOLUTIONS

Be it resolved by The SOUTHEAST Optimist Club of WICHITA, Kansas on this 25th day of February, 1984 that we express our deep concern regarding Senate Bill No. 401 regarding changes in the bingo laws of The State of Kansas.

Be it resolved that since our Optimist Club, consisting of 30 members sponsors bingo games in the State of Kansas as our fund raising project to support our youth and community service projects, that we stand in favor of and commend that part of the bill which allows for enforcement of the bingo laws in the State of Kansas.

Be it resolved that we must stand against that part of the bill which allows bingo parlors to remain open only three days per week as it would be very discriminatory against those who do not own their own buildings and would be forced to give up bingo as a fund raising project thereby depriving those worthy organizations which we support. During the past year we have earned approximately \$ 6220.71 from bingo and have spent approximately \$ 3288.00 in support of our youth and community projects.

These resolutions are approved by the following members representing the membership of The SOUTHEAST Optimist Club of WICHITA Kansas,

NAME

TITLE

Robert A. [Signature]

President

NOTE: THIS IS FOR A PARTIAL YEAR.

RESOLUTIONS

Be it resolved by The EVENING Optimist Club of WICHITA, Kansas on this 25th day of February, 1984 that we express our deep concern regarding Senate Bill No. 401 regarding changes in the bingo laws of The State of Kansas.

Be it resolved that since our Optimist Club, consisting of 20 members sponsors bingo games in the State of Kansas as our fund raising project to support our youth and community service projects, that we stand in favor of and commend that part of the bill which allows for enforcement of the bingo laws in the State of Kansas.

Be it resolved that we must stand against that part of the bill which allows bingo parlors to remain open only three days per week as it would be very discriminatory against those who do not own their own buildings and would be forced to give up bingo as a fund raising project thereby depriving those worthy organizations which we support. During the past year we have earned approximately \$ See Note from bingo and have spent approximately \$ See Note in support of our youth and community projects.

These resolutions are approved by the following members representing the membership of The EVENING Optimist Club of WICHITA Kansas,

NAME

TITLE

Clyde W. Pucket

President

Kenneth E. Newch

Board Member

Jack F. Pearson

Board Member

* Note:
The Evening Optimist Club of Wichita, just became involved in Bingo one month ago.

Clyde W. Pucket
President.

RESOLUTIONS

Be it resolved by The BREAKFAST Optimist Club of TOPEKA, Kansas on this 25th day of February, 1984 that we express our deep concern regarding Senate Bill No. 401 regarding changes in the bingo laws of The State of Kansas.

Be it resolved that since our Optimist Club, consisting of 75 members sponsors bingo games in the State of Kansas as our fund raising project to support our youth and community service projects, that we stand in favor of and commend that part of the bill which allows for enforcement of the bingo laws in the State of Kansas.

Be it resolved that we must stand against that part of the bill which allows bingo parlors to remain open only three days per week as it would be very discriminatory against those who do not own their own buildings and would be forced to give up bingo as a fund raising project thereby depriving those worthy organizations which we support. During the past year we have earned approximately \$10,000.00 from bingo and have spent approximately \$10,000.00 in support of our youth and community projects.

These resolutions are approved by the following members representing the membership of The BREAKFAST Optimist Club of TOPEKA Kansas,

NAME

TITLE

Carol D. Dale

President

Jack Negandhi

Secretary

Charles S. Ruddle

Treasurer

Robert G. Curtis

Member

STATEMENT

By: John Ivan, Attorney and Lobbyist for Tri G & L Inc.
Circus Plaza
Date: March 8, 1984
Re: Senate Bill 770 concerning Bingo
for the Senate Ways and Means Committee

The 1983 version of Senate Bill 401 concerning bingo, as it left the Senate, provided for more enforcement, better auditing, and for tighter rental controls.

Following House action this year, the charge for bingo cards was cut in half and the three day limitation was imposed.

The final form of SB 401 sent to the Governor would devastate revenue collections and render audit and enforcement changes unnecessary. This is true, since SB 401 would conservatively reduce excise and sales tax revenues by fifty per cent, and possibly much more, based upon the Department of Revenue's studies showing that organizations playing on leased premises derive approximately four times as much revenue as those playing at their own premises. The bill would also curtail bingo fund raising for more than one hundred active non-profit organizations. Tri G & L Inc. would be reduced at the Circus Plaza location from fourteen to three games and would close, causing a revenue loss of approximately \$105,000.00 for this fiscal year and an additional loss of \$35,000.00 for its Lawrence location. Most landlords with registered halls would be unable to continue and this would deprive non-profit organizations from fund raising activities which have generated much benevolent and charitable contributions and would in some cases undo capital debt commitments of these organizations in ways that would be devastating.

The original enforcement and audit needs were based on an assumption that bingo activity would continue at the present level and revenues would continue and revenue projections would approach Two and One Half Million Dollars annually.

SB 401 would change the character of bingo activity in Kansas to an extent that even present enforcement and auditing personnel would be unnecessary. Revenues would plummet. Litigation would tie up bingo regulations for at least the next year. Many small organizations

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with debt commitments that are amortized from bingo fund raising proceeds will be put out of business and would be subjected to debt litigation. Thousands of patrons would be forced to discontinue playing bingo and landlords would lose lawful investments in the millions of dollars. Tri G & L, Inc. alone would lose an investment approaching Two Hundred and Fifty Thousand Dollars and would be committed to the balance of a twenty year lease at the Shawnee location alone. Contracts which were approved and deemed lawful by the Secretary of Revenue would become unlawful. Constitutional issues concerning the equal protection clause and the applicability of SB 401 as special legislation to two or three locations, would become the hallmark of costly and confusing litigation.

Whatever benefits SB 401 might have are lost because of the provisions added which would limit the use of leased premises to three days and would otherwise interfere with the charges made by organizations for their bingo cards. In the past, the charge could not exceed \$1.00 and it has worked very well in all locations in all areas of Kansas. The present provisions would cause auditing problems, decreases in revenue, and would place the paper booklet system, which is one of the easiest to audit, in jeopardy.

RECOMMENDATIONS

Tri G & L Inc. recommends that SB 770 be submitted to the Senate with provisions allowing at least six days of bingo on leased premises, charges for bingo cards not to exceed \$1.00 as in the original law, and a grandfather clause concerning divided premises so that past investors will not be jeopardized in their lawful investments. This also would prevent interference and nullification of existing and on-going contracts with not for profit organizations. It further would ensure that organizational fund raising activities would not be jeopardized. Most of all it would not place the legislature in the very delicate position of weighing whether it is better for fraternal organizations to play bingo than a religious organization, or for an educational organization to play rather than a charitable organization. Once we try to legislate the morality and the benevolent goals and the benevolent aspirations of the not for profit organizations authorized to hold bingo licenses by constitutional amendment, we are bound to see innocent individuals and organizational goals unnecessarily affected by legislative action without any actual intent or visualized knowledge of the extensive ongoing adverse effects of the legislation. Thank you for considering our position, which we submit as a positive suggestion to past SB 770, and perhaps to improve its provisions to minimize damage and to maximize revenues and enforcement.

Bill to Amend

STATE OF ARIZONA
36th LEGISLATURE
SECOND REGULAR SESSION

REFERENCE TITLE: bingo procedures and requirements

HOUSE

HB 2544
Introduced
February 7, 1984

Referred on February 7, 1984

Rules _____

COMMERCE

TOURISM, PROFESSIONS & OCCUPATIONS

Introduced by
Representatives Hartdegen, McCune

AN ACT

RELATING TO AMUSEMENTS AND SPORTS; PRESCRIBING CONDITIONS AND REQUIREMENTS FOR CONDUCTING GAMES OF BINGO; REMOVING PROHIBITIONS; PRESCRIBING ADMINISTRATIVE PROCEDURES FOR ADMINISTERING BINGO, AND AMENDING SECTIONS 5-406, 5-407, 5-422 AND 5-426, ARIZONA REVISED STATUTES.

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 5-406, Arizona Revised Statutes, is amended to
3 read:
4 5-406. Persons permitted to conduct games; premises;
5 equipment; expenses; compensation
6 A. No person may hold, operate or conduct any game or games of bingo
7 under any license issued pursuant to this article except a member of the
8 organization to which the license is issued or a member of an organization
9 auxiliary to the licensee or an organization of which the licensee is an
10 auxiliary.
11 B. New members of the licensee or auxiliary may assist members in
12 the holding, operating or conducting of a game of bingo.
13 C. A person shall not hold, operate, conduct or assist in
14 conducting any game or games of bingo under any license if the person or
15 his spouse has a proprietary, equitable or credit interest, or is an
16 officer, director, agent or employee of an individual or company who has a
17 proprietary, equitable or credit interest, in the licensee.
18 D. Bookkeepers or accountants need not be members of the
19 organization.
20 E. No item of expense shall be incurred or paid in connection with
21 the holding, operating or conducting of any game of bingo, held, operated
22 or conducted pursuant to any license issued under this article, except bona
23 fide expenses in reasonable amount for purposes described in section
24 5-407, subsection G. No such game or games of bingo shall be conducted
25 with any equipment except equipment owned solely by the licensee, or

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1 jointly by not more than three licensees, except in any rented building or
 2 any rented premises, with not more than one auxiliary of the licensee. No
 3 portion of the ownership of such equipment may be held by any person or
 4 organization not licensed pursuant to this chapter. No such game or games
 5 of bingo shall be conducted with rented equipment and be owned by more than
 6 two co-owner licensees conducting their bingo occasions in rented
 7 premises.

8 F. No licensee will enter into any purchase agreement other than a
 9 bona fide purchase agreement. The seller may repurchase equipment only
 10 upon default of buyer at a price equal to ninety per cent of any money paid
 11 for equipment from buyer to seller. The seller may repurchase a building
 12 only upon default of the buyer at a fair market value per licensee.

13 G. The officers of a licensee shall designate a member of the
 14 licensee to be in charge and primarily responsible for the conduct of the
 15 games of bingo on each occasion. The member in charge shall supervise all
 16 activities on the occasion for which he is in charge and shall be
 17 responsible for the making of the required report. He shall be present on
 18 the premises continuously during the games and for a period of at least
 19 thirty minutes after the last game. A licensee shall not conduct or
 20 operate more than ~~three~~ FIVE occasions during any calendar week, ~~and~~
 21 ~~there may not be more than three occasions of bingo conducted during any~~
 22 ~~calendar week in any rented building or on any rented premises.~~

23 H. The officers of a licensee shall designate an officer to be in
 24 full charge and primarily responsible for the proper utilization of all
 25 proceeds of any game in accordance with the state law.

26 I. The entire net proceeds of any game shall be devoted to a lawful
 27 use or uses. In addition to other unlawful uses, the following are not
 28 considered lawful uses under this subsection:

29 1. Compensation and expenses of directors, officers and management
 30 personnel ~~EXCEPT THOSE WHO ARE FULL-TIME EMPLOYEES OF THE LICENSEE AND WHO~~
 31 ~~PERFORM USEFUL AND CONTINUOUS DUTIES PERTINENT AND VALUABLE TO THE~~
 32 ~~DAY-TO-DAY OPERATION OF THE LICENSEE. COMPENSATION SHALL NOT EXCEED IN ANY~~
 33 ~~CASE~~ DOLLARS.

34 2. Fees or commissions of consultants.

35 3. Donations to other than national, state or local nonprofit
 36 parent organizations in excess of five per cent of the net proceeds except
 37 with the permission of the licensing authority.

38 4. Donations or any payment from the lessor to the lessee.

39 J. The premises where any game of bingo is being held, operated or
 40 conducted or where it is intended that any game of bingo shall be held,
 41 operated or conducted or where it is intended that any equipment be used
 42 shall at all times be open to inspection by the licensing authority, its
 43 agents and employees and by peace officers of any political subdivision of
 44 the state. A licensee shall not conduct or operate any game of bingo at
 45 any rented premises if at any time during the previous ~~forty-four~~ TWENTY
 46 hours the premises or any premises within one thousand feet of the premises
 47 have been used for the operation or conduct of a game of bingo.

48 K. When any merchandise prize is awarded in a game of bingo, its
 49 value shall be its current retail price. No merchandise prize shall be
 50 redeemable or convertible into cash directly or indirectly.

1 L. Equipment, prizes and supplies for games of bingo shall not be
 2 purchased or sold at prices in excess of the usual price thereof. A
 3 licensee shall not enter into any contract or purchase agreement whereby it
 4 agrees to limit its source of supplies.

5 M. No alcoholic beverage shall be offered or given as a prize in any
 6 such game.

7 N. The net profits derived from the holding of games of bingo must
 8 be devoted within one year from the date such profits were earned to the
 9 lawful purposes of the organization permitted to conduct such games. Any
 10 organization desiring to hold the net profits of games of bingo for a
 11 period longer than one year from the date such profits were earned must
 12 apply to the licensing authority for special permission and upon good cause
 13 shown the authority may grant the request.

14 O. Any licensee which does not report during any one-year period
 15 the amount of its net profits, if any, shall be required to show cause
 16 before the licensing authority why its right to conduct games of bingo
 17 should not be revoked.

18 P. No prize greater in amount or value than two thousand dollars
 19 shall be offered or given in any single game of bingo conducted under any
 20 such license. ~~and~~ Total prizes shall not exceed an amount or value
 21 greater than ~~four~~ THREE thousand dollars for any occasion, EXCLUSIVE OF
 22 BONANZA GAMES, BREAK-OPEN GAMES AND SPLIT THE POT GAMES. No door prizes,
 23 discounts or other inducements may be OFFERED OR given away WITH A VALUE
 24 EXCEEDING _____ DOLLARS.

25 Q. The equipment used in the playing of bingo and the method of play
 26 shall be such that each card shall have an equal opportunity to be a
 27 winner. The objects or balls to be drawn shall be essentially the same as
 28 to size, shape, weight, balance and all other characteristics that may
 29 influence their selection. All objects or balls shall be present in the
 30 receptacle before each game is begun. All numbers announced shall be
 31 plainly and clearly audible or visible to all the players present. Where
 32 more than one room is used for any one game, the receptacle and the caller
 33 must be present in the room where the greatest number of players are
 34 present and all numbers announced shall be plainly audible or visible to
 35 the players in the room and also audible or visible to the players in the
 36 other room or rooms. The cards or sheets of the players shall be part of a
 37 deck, group or series of cards, no two of which shall be alike, and which
 38 deck, group or series shall not be so prepared or arranged as to prefer any
 39 card.

40 R. The receptacle, the caller and the person removing the objects
 41 or balls from the receptacle must be visible to all the players at all
 42 times except where more than one room is used for any one game wherein the
 43 provisions of subsection Q shall prevail.

44 S. The particular arrangement of numbers required to be covered in
 45 order to win the game and the amount of the prize shall be clearly and
 46 audibly or visibly described and announced to the players immediately
 47 before each game is begun.

48 T. Any players shall be entitled to call for a verification of all
 49 numbers drawn at the time a winner is determined, and for a verification of

1 the objects or balls remaining in the receptacle and not yet drawn. The
 2 verification shall be made in the immediate presence of the member
 3 designated to be in charge of the occasion, but if such member is also the
 4 caller, then in the immediate presence of an officer of the licensee.

5 U. No person who is not physically present on the premises where the
 6 game is actually conducted shall be allowed to participate as a player in
 7 the game.

8 V. No person shall act as a caller or assistant to the caller in the
 9 conduct of any game of bingo unless he is a member or new member of the
 10 licensee conducting such game and of good moral character and never been
 11 convicted of a felony.

12 W. No person who holds, operates or conducts, or assists in
 13 holding, operating or conducting, a game of bingo may play at the game at
 14 which such person is working.

15 ~~X. A licensee or any person with the consent of the licensee shall~~
 16 ~~not conduct a lottery or raffle within a twelve hour period before or after~~
 17 ~~a bingo occasion or game on any premises used for bingo games or within one~~
 18 ~~thousand feet of the bingo game.~~

19 ~~Y.~~ X. No person other than a licensee may arrange partial
 20 ownership ~~OR A LEASE AGREEMENT~~ of any particular building or ~~premise~~
 21 PREMISES to allow more than one bingo licensee to use the ~~premise~~ PREMISES
 22 for the playing of bingo, except that three or fewer licensees may jointly
 23 own and use the building, premises and equipment.

24 Sec. 2. Section 5-407, Arizona Revised Statutes, is amended to
 25 read:

26 5-407. Statement of receipts; expenses; penalty

27 A. On or before the fifteenth day of April, July, October and
 28 January of each year each licensee shall file with the licensing authority
 29 upon forms prescribed by the licensing authority, a duly sworn statement
 30 covering the preceding calendar quarter showing the amount of the gross
 31 receipts derived during such periods from games of bingo, the expenses
 32 paid, a brief description of the classification of such expenses, the ratio
 33 of net proceeds to the gross receipts received by the licensee during the
 34 reporting period, the name and address of each person to whom has been paid
 35 three hundred dollars or more and the purpose of such expenditure, the net
 36 proceeds derived from each such game of bingo and the uses to which such
 37 net proceeds have been or are to be applied. Each licensee shall maintain
 38 and keep such books and records as may be necessary to substantiate the
 39 particulars of each such report.

40 B. In the event that the net proceeds derived from the games of
 41 bingo for any quarter do not amount to twenty per cent of the gross
 42 receipts for that quarter it shall be presumed that the expenses incurred
 43 for goods, wares, merchandise, and services rendered are not bona fide and
 44 reasonable and the operation of the game is deemed to be against public
 45 policy. If the net proceeds of the games operated by a licensee are less
 46 than twenty per cent of the gross receipts in any two consecutive quarters
 47 the license shall be subject to revocation processes.

48 C. Failure to file reports within forty-five days after its due
 49 date, or if reports are not fully, accurately and truthfully completed, may

1 be the basis of the revocation of the license. The late filing of a report
 2 shall not be received without a penalty of one hundred dollars. In the
 3 event an action has been filed by the licensing authority for revocation of
 4 a license, the court shall award a reasonable attorney's fee to the
 5 licensing authority as a part of the proceedings if the licensing authority
 6 prevails in the proceedings.

7 D. All monies collected or received from the sale of admission,
 8 extra regular cards, special game cards, sale of supplies and all other
 9 receipts from the games of bingo shall be deposited in a special account of
 10 the licensee which shall contain only such money. ~~ALL EXPENSES OF~~
 11 ~~CONDUCTING BINGO GAMES SHALL BE PAID FROM THE SPECIAL ACCOUNT. ANY MONIES~~
 12 ~~REMAINING IN THE SPECIAL ACCOUNT AFTER EXPENSES ARE PAID MAY BE PAID INTO~~
 13 ~~THE GENERAL ACCOUNT OF THE LICENSEE BUT MAY BE EXPENDED ONLY AS PROVIDED BY~~
 14 ~~THE LICENSEE'S BYLAWS.~~ All expenses for such ~~game~~ BINGO GAMES, except cash
 15 prizes in the amount of less than fifty dollars, shall be withdrawn from
 16 ~~such THE LICENSEE'S SPECIAL~~ account by consecutively numbered checks duly
 17 signed by a specified officer or officers of the licensee and payable to a
 18 specific person or organization. No check shall be drawn to "cash" or a
 19 fictitious payee. ~~No check drawn on a licensee's special account shall be~~
 20 ~~payable to the licensee.~~

21 E. A licensee shall maintain a permanent record containing the
 22 signature of each player who receives a cash prize from such licensee and
 23 the amount of the cash prize awarded to such player.

24 F. No part of the net profits after they have been given over to
 25 another organization shall be used by the donee organization to pay any
 26 person for services rendered or materials purchased in connection with the
 27 conducting of bingo by the donor organization.

28 G. No item of expense shall be incurred or paid in connection with
 29 holding, operating or conducting any game of bingo pursuant to any license,
 30 except bona fide expenses of a reasonable amount. Expenses may be incurred
 31 only for the following purposes:

- 32 1. The purchase of goods, wares and merchandise furnished.
- 33 2. Payment for services rendered.
- 34 3. For rent.
- 35 4. Accountant's fees.
- 36 5. License fees.
- 37 6. Utility expenses.
- 38 7. Security guards.

39 8. Mortgage payments when a nonprofit charitable organization
 40 licensee is using the building or premises for the licensee's bona fide
 41 charity except if the licensee is renting the building or premises.

42 For the purpose of this subsection, ~~the following terms shall have the~~
 43 ~~following meanings:~~

44 (a) "goods, wares and merchandise" means prizes, equipment as
 45 defined in section 5-401, AND articles of a minor nature such as pencils,
 46 crayons, tickets, envelopes, paper clips and coupons necessary for the
 47 conduct of games of bingo.

1 ~~(b) "Services rendered" means repair to equipment, reasonable~~
 2 ~~compensation to bookkeepers or accountants, not more than two in the~~
 3 ~~aggregate, for services in preparing financial reports, a reasonable~~
 4 ~~amount for janitorial service and security guards. Services rendered does~~
 5 ~~not include and no item of expense may be incurred or paid for service of~~
 6 ~~any nature whatever rendered by a member or new member, including, without~~
 7 ~~limitation, equipment repair, bookkeeping, accounting, janitorial service,~~
 8 ~~security guard, or operating, conducting or managing a bingo game or~~
 9 ~~providing any professional or consultation service related to bingo.~~

10 H. In lieu of the taxes collected under sections 42-1314 and
 11 42-1361 there shall be paid to the state licensing authority one per cent
 12 of the gross proceeds of any game of bingo held, operated or conducted
 13 under the provisions of this article, AND such sums to SHALL be used for
 14 the administration of this article AND EDUCATING AND ASSISTING LICENSEES
 15 IN THEIR RESPONSIBILITIES UNDER THIS ARTICLE only. All administrative
 16 receipts, including license fees or penalties, collected by the state
 17 pursuant to this article shall be deposited in the state general fund.

18 I. Each licensee shall, at the time each financial report is
 19 submitted to the licensing authority, pay to the order of the licensing
 20 authority the amount of administration expense provided in subsection H of
 21 this section.

22 Sec. 3. Section 5-422, Arizona Revised Statutes, is amended to
 23 read:

24 5-422. Licensing authority; powers; duties

25 The department of revenue is designated as the "licensing authority"
 26 of this article. The department shall be in charge of enforcement of the
 27 terms and provisions of this article and, as state licensing authority, it
 28 shall:

29 1. Grant or refuse licenses under this article. In addition, the
 30 licensing authority shall have the power on his own motion based on
 31 reasonable grounds or on complaint made and after investigation and public
 32 hearing, at which the licensee shall be afforded an opportunity to be
 33 heard, to suspend or revoke any license issued by the licensing authority
 34 for any violation by the licensee or any employee of such licensee of the
 35 provisions of this article or any rule or regulation authorized under this
 36 article. Notice of suspension or revocation, as well as notice of such
 37 hearing, shall be given by certified mail of same to the licensee at the
 38 address contained in such license. The licensing authority may suspend the
 39 operation of a game pending a hearing, in which case, the hearing shall be
 40 held within ten days after such notice. Proceedings to suspend or revoke a
 41 license shall be held pursuant to the provisions of title 41, chapter 6.

42 2. Supervise the administration of this article, and adopt, amend
 43 and repeal rules and regulations governing the holding, operating and
 44 conducting of games of bingo, the rental of premises, and the purchase of
 45 equipment. ~~provide that~~ IN ADDITION TO ANY OTHER REQUIREMENT PRESCRIBED
 46 BY LAW, THE LICENSING AUTHORITY SHALL PROVIDE THIRTY DAYS' WRITTEN NOTICE
 47 TO ALL LICENSEES BEFORE ADOPTING, AMENDING OR REPEALING ANY SUCH RULES OR
 48 REGULATIONS. A LICENSEE MAY REQUEST A HEARING AND APPEAL ANY SUCH ACTION.

1 ~~TAKEN REGARDING THE RULES OR REGULATIONS.~~ Games of bingo shall be held,
 2 operated and conducted only by licensees for the purposes and in conformity
 3 with the provisions of this article.

4 3. Keep records of all actions and transactions of the licensing
 5 authority.

6 4. Report on request to the governor or the state legislature
 7 respecting the administration of this article and make such
 8 recommendations in regard to legislation as the licensing authority shall
 9 deem necessary and proper.

10 Sec. 4. Section 5-426, Arizona Revised Statutes, is amended to
 11 read:

12 5-426. Statement of receipts; expenses; penalty

13 A. On or before the fifteenth day of January, April, July and
 14 October of each year each licensee shall file with the licensing authority
 15 upon forms prescribed by the licensing authority, a duly verified
 16 statement covering the preceding quarter showing the amount of the gross
 17 receipts derived during such periods from games of bingo, the expenses
 18 incurred, or paid, and a brief description of the classification of such
 19 expenses and the purpose of such expenditure and the net proceeds derived
 20 from each such game of bingo. Each licensee shall maintain and keep such
 21 books and records as may be necessary to substantiate the particulars of
 22 each such report.

23 B. If a licensee fails to file reports within the time required, or
 24 if reports are not properly verified, or not fully, accurately and
 25 truthfully completed, any existing license may be suspended until such
 26 time as the default has been corrected.

27 C. If a licensee fails to file reports within the time required, a
 28 penalty shall be assessed equal to ten per cent of the lieu tax prescribed
 29 by subsection E of this section or five dollars, whichever is greater.

30 D. No item of expense shall be incurred or paid in connection with
 31 holding, operating or conducting any game of bingo pursuant to any license,
 32 except bona fide expenses of a reasonable amount. Expenses may be incurred
 33 only for the following purposes:

- 34 1. The purchase of goods, wares and merchandise furnished.
- 35 2. Payment for services rendered which are reasonably necessary for
- 36 repairs of equipment, operating or conducting the game of bingo.
- 37 3. For rent if the premises are rented, or for janitorial services
- 38 if not rented.

39 4. Accountant's fees.

40 5. License fees.

41 6. Utility expenses.

42 7. ~~COMPENSATION FOR UP TO ONE EMPLOYEE FOR EACH SEVENTY-FIVE BINGO~~
 43 ~~PATRONS AT A RATE NOT LESS THAN THE LEGAL MINIMUM WAGE AND NOT MORE THAN~~
 44 ~~ONE HUNDRED FIFTY PER CENT OF THE LEGAL MINIMUM WAGE.~~

45 For the purpose of this subsection, the following terms shall have the
 46 following meanings: "Goods, wares and merchandise" means prizes,
 47 including cash prizes, and equipment as defined in section 5-401, articles
 48 of a minor nature such as pencils, crayons, tickets, envelopes, paper clips
 49

1 and coupons necessary to the conduct of games of bingo; "services rendered"
 2 means repairs to equipment; ~~"rent" means rental of premises not exceeding~~
 3 ~~the amount of twenty five dollars for each occasion, except upon prior~~
 4 ~~approval of a greater amount by the licensing authority, and a reasonable~~
 5 ~~amount for janitorial services not exceeding a total of fifteen dollars for~~
 6 ~~each occasion, may be incurred if not rented; "RENT" MEANS RENTAL OF~~
 7 ~~PREMISES FOR A REASONABLE FEE CONSISTENT WITH FEES PAID FOR SIMILAR~~
 8 ~~PREMISES IN AREAS OF COMPARABLE LOCATION, AND A REASONABLE AMOUNT FOR~~
 9 ~~JANITORIAL SERVICES BASED ON CONSIDERATION OF SPACE AND AMENITIES AND~~
 10 ~~CONSISTENT WITH ACCEPTABLE STANDARD CHARGES IN THE AREA; "accountant's~~
 11 ~~fees" means reasonable compensation to bookkeepers or accountants, not~~
 12 ~~more than two in the aggregate, for services in preparing financial reports~~
 13 ~~for an amount not exceeding the total amount of fifteen dollars for each~~
 14 ~~occasion WHICH IS ONE AND ONE-HALF PER CENT OF GROSS PROCEEDS.~~

15 E. In lieu of the taxes collected under sections 42-1314 and
 16 42-1361 there shall be paid to the state licensing authority two and
 17 one-half per cent of the net proceeds of any game of bingo, held, operated
 18 or conducted under the provisions of this article, such sums to be used for
 19 the administration of this article only. All administrative receipts,
 20 including license fees or penalties, collected by the state pursuant to
 21 this article shall be deposited in the state general fund.

22 F. Each licensee shall, at the time each financial report is
 23 submitted to the licensing authority, pay to the order of the licensing
 24 authority the amount of administration expense provided in subsection E of
 25 this section.

March 8, 1984

The senate Ways and Means Committee

Ladies and Gentlemen:

I am Stan Briggs. I reside at 1137 Medford here in Topeka. I am a member of the East Topeka Council on Aging which is a non-profit charitable organization devoted to alleviating problems of aging in Topeka.

Senate Bill 401, that the Governor has signed, discriminates against the East Topeka Council on Aging and other small non-profit organizations eligible to conduct Bingo games for necessary funds.

We are a small organization and like many other small organizations do not have a large hall with chairs and tables and the necessary equipment to sponsor Bingo games. Bingo Winners Inc., a for profit lessor here in Topeka, provides this to us at a fair and reasonable rent.

If this Company is driven out of business by restricting the number of games at one location to three, limiting attendance to less than 200 and, prohibiting multiple premises, we will not be able to use Bingo to raise funds for our organization.

These unwarranted restrictions will ensure that only large organizations will have the exclusive ability to raise funds with Bingo. This is unfair and discriminatory to small organizations such as ours.

Specifically SB-770, which if passed would amend SB 401, is a ^{CCAP Bill} ~~good bill~~; IF paragraph (Q) the provision limiting attendance to 200 is deleted - IF paragraph (R) eliminating multiple premises is deleted completely, and IF paragraph (H) is changed to allow \$ 1.00 charge for non-reusable paper game cards, if left in place they will effectively prevent us from continuing to conduct Bingo for needed additional funds to further our purpose.

Actually, the laws in effect before passage of SB-401, were in my view, fair and equitable if they were properly enforced. The one good section of SB-401 is the one providing one-third (1/3) of the Bingo tax money to finance inspection and enforcement.

I respectfully urge you to do everything necessary to rectify the unwarranted restrictions in SB-770 as amended, and pass this amended bill SB-770 on to the Senate floor for action.

Thank You,


Stan Briggs

1137 Medford

Topeka, Kansas 66604

J
3-8-84

BINGO PROJECTS - CIRCUS PLAZA CHARITIES

K
3-8-84

BINGO PROJECTS - CIRCUS PLAZA CHARITIES

ZETA EPSILON #2344

There are 48 Leukemia children from the State of Kansas being treated at the St. Junes Childrens Research Hospital. The local chapter of Zeta Epsilon #2344 has sent over \$2,000.00 to St. Junes since September, 1983, when their Bingo games first started at Circus Plaza. Zeta Epsilon also sends money to the Ronald McDonald House, where out of town parents may stay while their children receive treatments from K.U. Medical Center.

THE COSMOPOLITAN CLUB

All money is sent to the new Diabetes Research Center at the University of Missouri. The COSMOS also just started Bingo in September of 1983, and since then has contributed enough money to sponsor furnishing one room in this new center with furniture and equipment.

MERRIAM JAYCEES

Also has been sponsoring Bingo games just since September, 1983. They have sent money to the Cerebral Palsy Camp for Children, Milgram's Food Find for Needy Families and the Johnson County Food Fund for Senior Citizens.

THE AMERICAN BUSINESS WOMEN'S ASSN. MISSION BELLS CHAPTER

Provides three persons each year with a college scholarship from profits made through Bingo.

THE NATIONAL EDUCATION ASSOCIATION - MISSION CHAPTER

Sponsors Bingo and sends much needed money to the Teacher's Association.

THE SHAWNEE FIRE DEPARTMENT AUX.

Sponsors Bingo and provides financial aid for fire victim families in Johnson County and assists elderly citizens who cannot pay utility bills.

THE SERTOMA CLUB OF MERRIAM

Major contributions to the Hearing and Speech "SHARP" Program, which is the recycling of used hearing aids. Also money has been sent to the Bristol Hills Church, Emerson Park Christian Church and St. Mary's Food Kitchens. Sertoma also sends money to Bethany Hospital and had a sponsorship of Wendy Kelly, a high school track star who placed 1st. in the Nationals, and money for five grade school's "Freedom Programs".

THE LASERTOMA CLUB OF MERRIAM

Makes contributions to the Sertoma Foundation and local projects such as Children's Research Hospital, Bristol Hills Church, Emerson Park Church, a local orphanage in the Kansas City, Kansas, area and provides free bandages for cancer patients.

THE EAGLES CLUB #1100

Makes major contributions to the American Heart Association.

"CHANNEL 18" CB CLUB

Makes contributions to the Salvation Army and the Wyandotte Home for Retarded Children.

THE SHAWNEE JAYCEES

Major contributions to the Cerebral Palsy Camp for Children. Other local community projects are the "Toys for Tots" Program, providing Christmas food baskets to the needy in the community, providing Outstanding Young Citizenship Awards, and the Shooters Education Project.

THE SHAWNEE JAYCETTES

Local community programs such as Old Shawnee Town, projects for financial aid to senior citizens and contributions to the March of Dimes.

THE SUN 'N' SURF SWIM CLUB OF MERRIAM

Through sponsorship of Bingo, are able to provide the community with various projects for the needy.

BINGO PROJECTS - CIRCUS PLAZA CHARITIES

ZETA EPSILON #2344

There are 48 Lukemia children from the State of Kansas being treated at the St. Judes Children's Research Hospital. The local chapter of Zeta Epsilon #2344 has sent over \$2,000.00 to St. Judes since September, 1983, when their Bingo games first started at Circus Plaza. Zeta Epsilon also send

SHAWNEE JAYCEES

AND

SHAWNEE JAYCEE WOMEN

IF BILL 401 STANDS AS IS, WHICH WILL EFFECTIVELY CLOSE DOWN CIRCUS PLAZA BINGO IN SHAWNEE, AND WE LOOSE OUR MAJOR FUNDRAISER, IT WILL BE TREMENDOUS LOSS TO BOTH OUR CLUBS.

BECAUSE OF OUR BINGO GAMES WE HAVE BEEN ABLE TO INCREASE OUR COMMUNITY PROJECTS AND OUR INDIVIDUAL DEVELOPMENT PROJECTS BUT MORE IMPORTANTLY WE HAVE MADE A NAME FOR OURSELVES WITH OUR GENEROUS CONTRIBUTIONS TO LOCAL AND NATIONAL CHARITIES. WE HAVE BEEN ABLE TO CONCENTRATE OUR TIME ON OUR PROJECTS AND OUR CHARITIES AND NOT ON THE WORRIES OF WHERE OUR MONEY WILL COME FROM.

SO IN OUR CASE WE ARE NOT TALKING ABOUT ONE NOT FOR PROFIT GROUP BEING OUT OF A FUN AND PROFITABLE FUNDRAISER BUT ALSO THE 20 OR MORE OTHER CHARITABLE GROUPS WHO WILL BE WITHOUT OUR DONATIONS.

I WOULD LIKE TO LIST FOR YOU THE CHARITIES WE HAVE GIVEN TO IN THE LAST YEAR, AND MIGHT ADD I AM NOT PULLING THESE OUT OF THE AIR BUT HAVE BACK UP THANK-YOU LETTERS FROM MOST OF THEM.

L
3-8-84

1. CERERAL PALSY RANCH - RUN TOTALLY ON MONEY RAISED BY KANSAS JAYCEE & JAYCEE WOMEN
2. ANIMAL HAVEN
3. ROCKY MT. MULTIPLE SCLEROSIS
4. UNICEF
5. JO. COUNTY MUSEUM
6. NATIONAL FIRE SAFETY COUNCIL
7. ST. JUDES CHILDREN'S HOSPITAL
8. KANSAS SPECIAL OLYMPICS
9. MUSCULAR DYSTROPHY
10. SHAWNEE FIRE DEPT.
11. SHAWNEE HISTORICAL SOCIETY
12. MARCH OF DIMES
13. CYSTIC FIBROSIS
14. JO. COUNTY ASSOC. FOR BATTERED PERSONS
15. JO. " HEAT FUND
16. KANSAS JAYCEE WOMEN
17. JO COUNTY FOOD BASKETS
18. TOYS FOR TOTS
19. SHAWNEE COMMUNITY CENTER
20. STATUE OF LIBERTY RENOVATION
21. SHAWNEE RESCUE SQUAD
22. MOTHERS AGAINST DRUNK DRIVERS

I MIGHT ALSO ADD THAT WE PAY APPROX \$30,000/YR IN SALES AND BINGO TAXES.

WE STRONGLY SUPPORT THE BILL IN
REGARDS TO ENFORCING STRICTER CONTROLS
ON THE RUNNING OF THE BINGO HALLS AND
HOPE YOU WILL SUPPORT THE AMMENDED BILL
ALLOWING 6 DAYS OF BINGO AND IN THE
CASE OF CIRCUS PLAZA SIDE BY SIDE HALLS.

THANK YOU VERY MUCH FOR ALLOWING ME
TO SPEAK AND FOR YOUR TIME IN LISTENING.

JENNIFER BEST
PRESIDENT
SHAWNEE TAYLEE WOMEN



the
merriam jaycees

P.O. Box 3712

Merriam, Kansas 66203

We the undersigned are opposing the restrictions proposed
 by SENATE BILL 401.

<u>Name</u>	<u>City</u>	<u>Date</u>
Sharon Madge	K.C.	2-22-84
Yvonne Moore	K.C.	2-22-84
Linda Wooly	Shawnee, Ks	2-22-84
M Brown	K.C.	2-22-84
Sonnetraul	Oswatimie, KS	2-22-84
Shirley Sherman	Shawnee, Ks	2-22-84
George Shuman	Shawnee Ks	2-22-84
Erma Kasowitz	Kc	2-23-84
Margaret Champs	Raytown Mo	2-23-84
John Hopmeyer	Overland Park Ks	2-23-84
Elizabeth Bellamy	Olatchy, Ks.	2-22-84
Dellie Wallace	Olatchy, Ks	2-22-84
Michael Krump	Olatchy Ks	2-22-84
Rosemary Krump	Olatchy Ks	2-22-84
Vickie Crattree	Olatchy Ks.	2-22-84
Bob Schaper	Grandview Mo.	2-22-84

M
 3-8-84



the
merriam jaycees

P.O. Box 3712

Merriam, Kansas 66203

We the undersigned are opposing the restrictions proposed by
SENATE BILL 401.

<u>Name</u>	<u>City</u>	<u>Date</u>
Margaret Davis	K.C. K.	2-22-84
Cheryl Melitz	Merriam	2-22-84
Ernestine Vanaport	K.C. K.	2-22-84
George J. Grant	Merriam, KS	46204 2-22-84
Heinie Howell	De Soto Ks	2-22-84
Jane Allen	P. O. Ks	2-22-84
Shirley Patten	S. M. Kan.	2-22-84
Denise Kudart	K.C. MO	2/22/84
Joyce Walker	Paola Kane	2/22/84
Helen Walker	Paola, Ks.	2-22-84
Lynell Blew	Edwardsville, Ks	2-22-84
Horton Blew	K.C. Ks.	2-22-84
Grace Lehl	K.C. Ks	2-22-84
Bonnie Barker	Edwardsville, Ks	2-22-84
Don Lee Barker	Edwardsville, Ks	2-22-84
John Callaghan	K.C. Ks	2-22-84
Dea Callaghan	K.C. Ks	2-22-84
Mary L. Henry	Missouri, Ks	2-22-84
Dede Sorubay	K.C. MO.	2-22-84
Sandy Poubler	Missouri Missouri	2-22-84
Reba Hadley	Shawnee Ks	2-22-84
Oute Hadley	Shawnee Ks	2-22-84



the
merriam jaycees

P.O. Box 3712

Merriam, Kansas 66203

We the undersigned are opposing the restrictions proposed
by SENATE BILL 401.

<u>Name</u>	<u>City</u>	<u>Date</u>
Mynon Hannold	Overland	2/22/84
Wynne Brown	9th ^{KANSAS} HAWK ^{NO}	2-22-84
Alma Sharpe	Leavenworth	2/22/84
Blenda Dore	Ks.	2/22/84
Ray Cozette	Olathe KS	2/22-84
Margaret Cozette	K.P. Ks.	2/22-84
Marilyn Batuska	K.C. Ks.	2-22-84
Beatha Bell	Merriam	2-22-84
Katherine Bell	Olathe Ks.	2-22-84
Laurie J. Hunter	Olathe Ks.	2-22-84
Suey Joe Hunter	K.C.K	2-22-84
Mary Brown	K.C.K	2-22-84
Cecil T. Brown	K.C.K	2-22-84
Mary Jean Meitz	S. M. Ks.	2/22/84
Margaret Welcher	K.C.K	2-22-84
Dinda Stone	OP, KS	2-22-84
JoAnn M ^c Carneak	Mission, Ks.	2-22-84
Bonnie Tapley	K.C. Ks.	2-22-84
Beulah Ferguson	K.C. Ks.	2-22-84
Julith Jester	Fairway Ks	2-22-84
Genna D. Lubbe	Merriam	2-22-85



the
merriam jaycees

P.O. Box 3712

Merriam, Kansas 66203

We the undersinged are opposing the restrictions proposed
by SENATE BILL 401.

<u>Name</u>	<u>City</u>	<u>Date</u>
Paula Stubb	K.C. Ks	2-22-84
Mrs. Ray Mars	Olathe, Kansas	2-22-84
Al Evans	Olathe, Ks.	2-22-84
Master Thomas	JS EK	2-22-84
Opal Barnes	Olathe Ks	2-22-84
Brenda Watson	Shawnee Ks	2-22-84
Ernie Watson	Shawnee Ks	2-22-84
Sharon Brock	Linwood Ks	2-22-84
Patty Batesom	Bonner Spgs, Ks	2-22-84
Jerry Garrison	Leavenworth Kan.	2-22-84
Lindy Luken	Olathe, KS	2-22-84
J R Kohler	Paola Kansas	2-22-84
	Paola Kansas	2-22-84
Peggy Kohler		2-22-84
Jw Skeens	Osawatomie Ks	2-22-84
Ellen	O.P. Ks	2/22/84
Sold Delgin	Shawnee Ks	2/22/84
Nan Hutchins	MERRIAM, Ks	2/22/84



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We the undersigned are opposing the restrictions proposed
by SENATE BILL 401.

<u>Name</u>	<u>City</u>	<u>Date</u>
Helen Keller		2-22-84
Robert Newcome	Overland Park Ks	2-22-84
Morphy Newcome	Overland Park Ks	2-22-84
Mary Ayala	Kansas City, Kansas	2-22-84
Jeddy Vincent	K. C. Mo	2-22-84
Alvina Sanchez	K. C. Ks.	2-22-84
Jais Porter	K.C. MO	2-22-84
Jean Thomas	K.C. K.	2-22-84
Pauline Mitchell	Shawnee, Ks.	2-22-84
Hazel Gross	" "	2-22-84
Jane Dimerice	" "	2-22-84
Robert + Tamara Stavor	overland Pk.	2-22-84
Pat Graham	O.P. K	2-22-84
John Hill	O.P. Ks.	2-22-84
Jay Court	Shawnee Ks	2-22-84
Judy Allen	Shawnee Ks	2-22-84
Betty Gilhaus	K.C. Ks	2-22-84
Judy Pfeifer	K.C. Ks	2-22-84
Ann Hickma	K.C. Ks	2-22-84
Margo Alyea	Prairie Village Ks	2-22-84



the

merriam jaycees

P.O. Box 3712

Merriam, Kansas 66203

We the undersigned are opposing the restrictions proposed by SENATE BILL 401.

<u>Name</u>	<u>City</u>	<u>Date</u>
Mr. Stanley Hausbeck	1404 So. 50th K.C. Mo	2/22/84
Mrs. E. J. Kuyler	5151 Charles Shawnee, Ks.	2/22/84
Cynthia Sasser	4410 E. 52nd St. K.C. Mo.	2/22/84
Kurt Thomas	4008 W. 66 P.V. Ks.	2/22/84
Haskell Van Gosen	5246 Woodend K.C.K.	2/22/84
Dorlene Van Gosen	5246 Woodend K.C.K.	2/22/84
Betty Jones	7300 Lydia K.C. Mo	2-22-84
Jennine Morris	1723 Richmond K.C.K.	2-22-84
Deanna Kumbal	Lawrence Ks.	2-22-84
Donna Morrison	Lawrence Ks.	2/22/84
Bobbie J. Nufol	Lawrence Ks.	2/22/84
Eliza Shepard	Lawrence, Ks.	2/22-84
Betty Carlgren	Wlathe, Ks.	2-22-84
Ben Krause	Prairie Village, Ks.	2-22-84
Eula Harris	Shawnee Kans	2-22-84
Jean Pesch	Prairie Village Ks	2-22-84
Pauline Field	5311 Bond Shawnee	2-22-84
Yinger Hendrix	7203 Mastin Shawnee	2-22-84
Rhonda Knight	4022 Woodend K.C.Ks.	2-22-84
Dianna Knight	2315 S. 47th Ter. K.C.K.	2-22-84
Sophia McPherson	34 So. Hallack St K.C.K.	2-22-84
Lena White	6100 Hadley Shawnee Ks.	2-22-84
Betty Sprout	3030 N. 74th Ave K.C.Ks.	2-22-84
Bessie Bransfield	K.C. Mo	2-22-84
Bertha Darris	K.C. Mo	2-22-84
Josephine Whitely	K.C. Mo	2-22-84

Lise M. Orta	10024 Kessler Dr. Overland Park, Kansas 66212	2-22-84
L. Rivera	16987 Lakewood	
Sandra Orta	10024 Kessler Dr. Overland Park. K.S. 66212	2-22-84
Barb Saucerman	5534 Manoria	2-22-84
Evelyn Tizer	968 Ruby K.C.K.	2-22-84
Kathryn Billmer	2416 Greeley K.C.K.	2-22-84
Pat Albridge	333 Miller K.C.K.	2-22-84
Teresa Davis	2012 E 38	2-22-84
Annacagner	Box 138 Tongantia	2-22-84
R. L. Huls	5601 W 92nd Ter	2-22-84
Ann L. Huls	5607 W 92nd Ter	2/22/84
Beggy Smith	4323 Offord	2/22/84
Diana Jayson	516 S. Hardesty K.C., Mo.	2/22/84
Lenni Ceres	526 Spruce Kernobuizy	2/22/84
Janney Kumpf	8627 W. 84th Ter.	2/22/84
Lena England	1001 So. 57th K.C.K.	2/22/84
Erda McHenry	1133 S 53rd K.C.K.	2/22/84
Debra McHenry	1133 So 53rd	2/22/84
Abbie Hedy	9436 Connell DPKS	2/22/84
Carl Bartko	3108 S 9th K.C.K.	2/22/84
Wally Adams	9440 Connell	2/22/84
Blanche Miller	9440 Connell	2/22/84
Diane Loung	408 W. Frankfort Papola Kans	2/22/84
Buffy Moore	507 S. Castle Paola Kans	2/22/84

ANYONE WHO IS AGAINST THE BINGO LEGISLATION THAT PASSED
 KANSAS TODAY (2/17/84), PROHIBITING BINGO MORE THAN 3 NON-
 CONSECUTIVE DAYS A WEEK, PLEASE SIGN THIS PETITION. THE PETI-
 TION WILL BE SUBMITTED TO THE LEGISLATURE ON MONDAY

NAME	ADDRESS	COUNTY
LESLIE TURNER	948 JANA	DOUGLAS
Cleo Waddy	518 ARIZONA	"
Willie V. Stagg	1511 E. 19th	"
HAROLD B. Stagg	1511 E. 19th	"
Geri C. Stagg	1511 E. 19th	"
Edith Gilbert	1511 E. 19th	"
Wynona Floyd	401 Illinois #1	"
Eliza Shepard	420 Illinois	"
Marshall Jackson	420 Illinois	"
Lucas Tufner	948 Jana	"
Theresa Ex	5300 W 14th Ct	Shawnee
Juanita Bailey	209 Cornelia	"
George Merten	634 Western	Shawnee
Dorah Aldredge	PO Box 134	Douglas
James Redden	PO Box 1252	
James Smith	1864 Fillmore	Topoka, Kansas
Stephanie McCalland	3440 S. E. Hwy. 40	Topoka, Kansas
Dorothy Love	2419 Madison	Topoka KS
Dorothy McCalland	3509 E 7th	
Reba Perkins	3531 Atwood	Topoka, KS
Helen German	2544 Golden	Topoka
Diana K. Guilfoyle	3714 W 27th Ten	Shawnee
Margaret Williams	2722 Rawhide	Lawrence
Margaret Logan	726 Missouri	Lawrence
Donna Morrison	1233 N. Jerry	Lawrence
Bobbie J. Stupak	255 Mul	Lawrence K
Clara Harris	404 Winfield	Topoka ks
Dorise Epps	1625 Campbell Ave	Shawnee
Yvonne C. Piley	1311 Madison	Topoka, ks
Shari Stagger	1914 Ky.	Lawrence KS.
LEE Reed	1140 E. 13th	" "
Patry Harmon	309 E. 19th	Lawrence KS
Vicky + Danny McAlister	1900 W. 31st L-13	Lawrence, KS
J. H. Robinson	3121 Twilight	Topoka KS
Willa Swan	3121 Twilight Court	Topoka, KS
Mary Couster	440 Michigan	Lawrence, KS
Allen Loshant	3100 N-SI 75	Lawrence KS
Engel Brock	1330 S Maple in St	Shawnee KS
Hennrietta Partidge	831 E 13	Lawrence KS

<u>Name</u>	<u>Address</u>	<u>County</u>
Linda Mole	872 Conn	Douglas
Catherine Warden	334 Locust	Douglas
Jo Ann Hunsaker	R.R.#3 Eudora, Ks.	DG.
Laurence Hunsaker	R.R.#3 Eudora Ks	DG.
Dollard Hueston	R.R.# Eudora Ks	DG.
Vergilene Hueston	R.R.# Eudora Ks	DG.
Larry Hunsaker	Juganoree Ks	L.V.
Beggy Hunsaker	Juganoree Ks	L.V.
Norman Menffel	Eudora	DB
Andy Menffel	Eudora	DB
Judy Reis	Eudora	Dog
Carle Leay	Eudora	Dg.
Sharon Harris	Eudora	Dg
Jim Harris	Eudora	Dg.
James B Smith	Eudora Ks	DC
H. L. Lutz	Lawrence Ks.	D.C.
Alice Reid	Eudora	
Janet Campbell	Eudora	DB
Jeanine Hollenbeck	Topeka	SN
Gula M. Brown	Topeka	SN
Florence L Swiler	Law.	U.S.
Gladys Zulke	Lawrence	D.H.
Linda Hattabaugh	Eudora	D.G.
Paula Patterson	Lawrence	D.G.
Serry Patterson	Lawrence	D.G.
Naileen May	Wellsville	FR.
S. C. May	Wellsville	FR.
Annette Kallala	404 Rodgers Topeka	SN
Jo Ann Gerard	912 Tecumseh Rd	SN
Edna Nightingale	Law.	D.G.
Carol Dence	Law.	D.G.
William D. Orly	Topeka	SN
Bevern Corley	Topeka	SN

AMONGE AGAINST BINGO LEGISLATION #401 (OUTLAWING BINGO
MORE THAN 3 CONSECUTIVE NIGHTS IN A BINGO PARLOR)
PLEASE SIGN THIS PETITION

<u>NAME</u>	<u>ADDRESS</u>	<u>COUNTY</u>
William Eric Jensen	1014 Mississippi	Douglas
David A. Warden	1301 Louisiana #15	Douglas
Douglas A. Day	1014 Mississippi	Douglas
James D. Bann	1014 Mississippi	Douglas
Nernon Kelley	1014 Mississippi	Douglas
Tracy A. Coppen	1014 Mississippi	DOUGLAS

Mr. Chairman and members of the Ways and Means Committee

I am Joe Berger, Secretary of the Kansas Sunflower Club Association.

Our Association is made up of the boni-fide Class A Non-profit clubs such as the American Legion which has 370 posts in the State of Kansas; V.F.W. with 180 posts; Knights of Columbus with 150 units; the Eagles with 60 Lodges; the Elks with 43 Lodges and the Loyal Order of Moose with 18 Lodges. Most of the Country clubs that belong to our Association do not play bingo and a lot of our smaller clubs do not play bingo. Because of the competition in the areas where there are bingo parlors, some of our smaller clubs have stopped playing bingo in their own small Lodge halls and joined the Bingo Parlors.

In 1973 and 1974 our Association and our Organizations did considerable and effective work in behalf of the bingo proposition and getting people out to vote for the Bingo constitutional amendment which, as you know, the people of Kansas approved with a two to one majority vote. At that time no one ever dreamed that we would someday have big Commercialized bingo parlors.

Our Organizations have from 75 to 150 bingo players at their games and we sell our bingo cards from 75¢ to \$1.00 each. Many of our smaller clubs pay back to the players less than the \$1200.00 allowed by the law. Our bigger clubs average about \$1500.00 Gross on their bingo nights; they pay back to the players \$1200.00. Almost all of our Clubs include the 4% Sales tax in the cost of the Bingo card. On a \$1500.00 gross night the 4% sales tax and 3% enforcement tax comes to \$105.00. \$1200.00 prize money plus \$105.00 taxes come to \$1305.00; that leaves \$195.00 for the Club. From the \$195.00 gas, lights, janitor service and supplies must be deducted. So it looks like our larger clubs are making about 9 or 10% profit on bingo.

The Bingo parlors are in large buildings where they can seat up to 600 people. Some buildings are divided with seating for 400 or 500 people on each side (take a look at Capitol bingo on east 29th street in Topeka). They sell their bingo cards in booklets or on sheets; some booklets have 40 cards for \$10.00. That is 25¢ a card; some parlors sell 3 cards for \$1.00. If a big parlor has 400 people playing at \$10.00 each, they gross \$4000.00; they pay out \$1200.00. That leaves \$2800.00 before taxes and expenses. Because there is no one from the State checking bingo parlors, they can divide the money with their licensee anyway they wish. The clubs with liquor licenses are checked for bingo by A.B.C. agents.

M-(1)
3-8-84

The Parlors are giving our organizations unfair competition; if they are not stopped or controlled, they will one day control all the bingo games in Kansas. We have been playing bingo in Kansas for at least 50 years in the Churches, Fraternal and War Veterans Organizations. Take a look at the organizations that are now playing in the bingo parlors. Many of these organizations you never heard of before.

Check with the revenue department on bingo licenses and you will find out that there are at least twice as many organizations playing bingo outside the parlors than there are in the parlors.

Remember the Mom & Pop Grocery stores? Remember what happened to them when the Super markets moved in? Well the same thing is starting to happen to bingo. Let's stop it before it is too late.

We would like to see Senate Bill 770 set aside until next year. (it took Senate bill 401 two years to get passed). In the meantime, we would like to see a committee set up to investigate all bingo operations in bingo parlors, Churches, Fraternal Organizations, Veteran Organizations and everyone else who plays bingo in Kansas. Then next year with all the information gathered from all the bingo licensees in Kansas you will be better prepared to pass a good bingo bill.

Senate bill 401 is not perfect, but it is a good bill. Hasty S.B. 770 promoted by the bingo parlor people is not the answer.

We urge you to vote NO on S.B. 770.

Thank you.


Joe Berger



WICHITA STATE UNIVERSITY

WICHITA, KANSAS 67208

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COLLEGE OF EDUCATION


To the Senate Ways and Means Committee:

Chairman Paul Hess and members of the Committee, thank you for this opportunity to present my views with regard to the urgent need to pass SB 770. I apologize for the fact that I cannot be present to present these views in person. As I have written to several of you, my concern with bingo stems from the fact that the St. Paul Child Day Care Center at 1751 North Ash in Northeast Wichita has been and will be drastically affected by changes in bingo laws. This non-profit Center has been affected a great deal by the current recession--both in the cuts in federal programs such as ADC and the greatly increased unemployment among the parents who have had children at the Center. Both of these factors along with increased costs have made it very difficult for the Center to continue operations. The financial assistance from bingo operations by members of the Board of Directors of the Center and parents has enabled the Center to continue to serve the children of parents who cannot afford the regular, higher costs of commercial day care centers. I have been a member of the Board of the Center for some 15 years and am greatly concerned that this effort to assist the Northeast Wichita community not be diminished or abrogated.

As is evident to all of you, I am sure, SB 401 with its 3-day limitation would cause most, if not all, bingo parlors to close since the costs of rent, utilities, etc. could not be realized with that more than 50% cut. Of course, if the bingo parlors close, there would be no place for non-profit groups such as the St. Paul Center group to operate bingo. And, if there is no place for such organizations to operate bingo, a very great deal of financial support for many community projects and programs would be lost. SB 770 would help resolve these problems. In many cases, such as the St. Paul Center, it is not possible to wait until the next legislative session to rectify the insufficiencies of SB 401. These organizations would have to close with the consequent loss to the communities.

There is no doubt, in my mind, that enforcement of bingo laws is very necessary. The law as passed in 1974 has not been enforced adequately in the ten years of its existence and many illegalities have resulted. For those of us who have tried to operate within the law, enforcement would be very welcome. We have been paying the 3% enforcement tax for years as well as the 3% sales tax and we would like very much to see the enforcement money put to use in enforcement. It occurs to me, if SB 770 is not passed and the parlors close, there would be no need for the 9-member enforcement team and little money to finance it.

Thank you for your consideration and this opportunity. If you have any questions to address to me, I would be pleased to provide answers.


Kenneth Nickel, Professor of
Secondary Education

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