

Approved _____

Date

2/2/89

MINUTES OF THE Senate COMMITTEE ON Federal and State Affairs

The meeting was called to order by Senator Edward F. Reilly at
Chairperson

11:07 a.m./~~p.m.~~ on February 1, 1989 in room 254-E of the Capitol.

All members were present except:

Senator Daniels who was excused.

Committee staff present:

Mary Galligan, Legislative Research
Marty Robison, Secretary

Conferees appearing before the committee:

John R. Luttjohann, Director of Taxation
Gerald J. Donohue, Equity Real Estate, Mission Hills, KS
Roger C. Hart, Johnson County
Susan Wagle, Wichita Businesses, Inc.
Thomas Frenn, Southwest Bingo
Linda K.S. Brown, Exodusters Awareness, Inc., Topeka
Jeannie Hanley, Veterans of Foreign Wars Auxiliary, Olathe
Hattie Hatfield, Representative for V.F.W. Posts
Robert E. Brown, Topeka Council on Aging
Joe Berger, Representative of many fraternal organizations
Jon Brax, Kansans for Life At Its Best

Chairman Reilly called the meeting to order.

Senator Strick moved the minutes of January 30 be approved. Senator Morris seconded and the motion carried.

A hearing was held for SB 69 which would allow bingo parlors to operate seven days a week.

John Luttjohann, Director of Taxation, told the members that the Department of Revenue has not taken a position on SB 69 but was presenting their view as to what needs to be done if the committee desires to adopt this concept. He said the bill deletes paragraph (q) from K.S.A. 79-4706 relating to the number of days per week that bingo games may be conducted. If paragraph (r) is eliminated, "side-by-side" bingo parlors would not be prohibited. Also, the "hour" limit for bingo parlors operating within 1000 feet of one another could be lowered (Attachment 1).

Gerald Donohue testified on behalf of SB 69 and said there were inequities in the current revised law that could be corrected with minor revisions. He told the committee that if the number of playing days were increased from 3 to 7, no increase in staff would be required by the Enforcement Unit. Figures were provided to members which showed the estimates of benefits to charities and tax revenues if there were 20 or 30 licensed bingo parlors (Attachment 2). He requested repeal of section (r).

Roger Hart, Bingo Palace in Olathe, appeared to say the elimination of (q) without eliminating (r) would open the doors of arbitration. He said it was time for a return to the original intent, which was to help the small non-profit organizations from utilizing Bingo for fund raising and asked the committee not to restrict or prevent those without a hall of their own (Attachment 3).

Susan Wagle told members that SB 69 would be a positive move but that prize money amounts need to be raised. She also asked for support of legalizing pull tabs (Attachment 4).

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Federal and State Affairs,
room 254-E, Statehouse, at 11:07 a.m.~~p.m.~~ on February 1, 19 89

Staff told the committee that the Attorney General allows the use of pull tabs by the State Lottery. He has ruled that pull tabs are a form of lottery and would have to be operated and issued by the State Lottery.

Thomas Frenn asked the committee to consider his amendment which would change bingo from being played on leased premises to play on any premise with an 8 hour interval. It would also delete the provision of a 1,000 foot limit (Attachment 5).

Linda Brown asked for the bill to be amended so that organizations which lease their equipment would not be discriminated against (Attachment 6).

Jeannie Hanley spoke in support of bingo 7 days a week so that more community service projects could be funded (Attachment 7).

Hattie Hatfield spoke in favor of SB 69 (Attachment 8).

Robert E. Brown, Topeka Council on Aging, appeared in support of SB 69 because many organizations cannot get adequate funds and rely heavily on the income from Bingo to fund their projects.

Joe Berger, representing many fraternal organizations, told the committee that they would oppose SB 69 because this would cause them to lose revenues which support lots of community projects.

Jon Brax voiced his opposition and said that opposition was based on the premise that more opportunity to bingo gamble creates more opportunity for abuse.

Written testimony in support of SB 69 from James Blaylock, Olathe Girls Softball Association, was distributed to the members (Attachment 9).

The meeting was adjourned at 11:58.

GUEST LIST

COMMITTEE: Senate Federal & State Affairs DATE: 2/1/89

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
John Miller	6501 #9 Highway	AMERICAN LEG. #399
GERALD J. DONOHUE	4432 Steamboat Mission Hills Ks	EQUITY REAL ESTATE
Gerald J. Donohue, Jr.	2804 W. 13th P.V. Ks. 66608	Equity Real Estate
JOE BERGER	1609 TARA TOPEKA	SUNFLOWER CLUB ASS.
Jan Drex	Topeka	Life at its Best
Cuffard Chappell	Topeka	Cem. Legion
Phil Wilkes	Topeka	Dept. of Revenue
John Luttjohann	✓	—
Lawrence Malone	Topeka	K of C
Thomas J. Hiram	111 NW Buchanan Topeka Ks 66606	Moose Lodge 555
DARREL WITHAM	1365 KANSAS TOPEKA, KS 66612	ARAB SHRINE TEMPLE
THOMAS FRENCH	2801 SW FAIRLAWN RD TOPEKA, KS 66614	SOUTHWEST BINGO
Ryan E. Smith	905 S. Chestnut Olathe, Mo.	Managers Bingo Palace also rep. O.G. S.A. + O.V.B.
MICHAEL H. FISHMAN	Rm 8 E. Santa Fe, Olathe Ks	Bingo Palace
Charles V. Hamm	2505 SW 22 - Topeka Ks	self
JO Hatfield	K.C. Mo	VFW 869
B. A. Bekley	K. C. Ks	VFW 869
C. P. Bliss	K. C. Ks	VFW 869
MAXINE A. HART	Olathe, Ks.	VFW. Conf # 2993
JEAN HANLEY	Olathe, Ks.	V.F.W. AUX # 2993
Linda K. S. Brown	Topeka Ks	Producers Amusement
Norman Cady	K. C. Mo	Rosedale Optimist
HARRY Combs	K. C. Mo	Rosedale Opt Club
Sherri Holliday	Topeka	Div. of the Budget
TOM WAGLE	Wichita, Kansas	Wichita Business, Inc



KANSAS DEPARTMENT OF REVENUE

Division of Taxation

Robert B. Docking State Office Building
Topeka, Kansas 66625-0001

MEMORANDUM

TO: THE HONORABLE EDWARD F. REILLY, CHAIRMAN
SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

FROM: JOHN R. LUTTJOHANN *JL*
DIRECTOR OF TAXATION

RE: SENATE BILL 69

DATE: FEBRUARY 1, 1989

Thank you for the opportunity to appear today on Senate Bill 69, concerning state regulation and taxation of bingo.

This bill deletes paragraph (q) from K.S.A. 79-4706 relating to the number of days per week that bingo games may be conducted at each bingo site. Currently, premises owned by a bingo licensee cannot be used more than three days per week for the management, operation or conduct of bingo games. Deletion of paragraph (q) would mean that a licensee would be unlimited on the number of days per week he could use premises which he owns for the conduct of bingo games.

We would point out to the committee that Senate Bill 69 would leave in place a similar restriction on the use of leased premises. K.S.A. 79-4706(s) would still provide that no bingo games could be managed, operated or conducted on leased premises if at any time during the immediately preceding 44 hours the premises, or any premises within 1,000 feet of them, have been used for the management, operation or conduct of a game of bingo. This would leave an effective limit of leased premises of being able to operate on 3 or 4 days per week.

If paragraph (r) is eliminated entirely, "side-by-side" bingo parlors would not be prohibited. If the committee would like to continue the prohibition of bingo parlors operating within 1000 feet of one another, the "hour" limit could be lowered to something like 8 hours.

Our experience indicates that there is a relatively fixed number of bingo players with a fairly fixed amount of money spent of bingo within the state. The bill would tend to increase the number of bingo sessions conducted in the state, but we would not anticipate a significant increase in the amount of money spent on bingo or the tax revenues collected.

I would be happy to respond to any questions that you may have.

SFA SA

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Attachment 1

To the Committee on Federal and State Affairs and other interested parties:

My name is Gerald J. Donohue, President of Equity Real Estate, and reside in Mission Hills, Kansas. With me are Jay Donohue, Vice-President of Equity Real Estate, residing in Prairie Village, Kansas and John Miller, representing American Legion Post #399.

It was our intention not to bring a contingent of proponents to testify on behalf of Senate Bill No. 69 but chose to make our presentation short, and that I'd present the only testimony supporting this issue and if necessary have these gentleman with me answer any questions in addition to the Revenue Department staff; however it would appear that there are a few others who have comments which they care to make before your Committee.

Equity Real Estate is the managing agent on behalf of the Trust Department of the Mercantile Bank of Kansas City for the Shawnee Shopping Center, located at 4635 Shawnee Drive, Kansas City, Kansas.

Part of our responsibility at Equity Real Estate is to protect the asset value of the Guardianship that we represent and as such must seek all means to reduce expenses and increase revenues. With the statewide reassessment of real estate we have been advised that for commercial properties we

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Attachment 2

can expect real estate taxes to be increased anywhere from double to triple the current taxes.

In this 25 year old shopping center there is a 12,000 square foot space which was formerly a grocery store. Retail stores of this size in older centers have become economically obsolete in the larger metropolitan areas. This forced us to find other uses and we settled on converting this storeroom into a bingo parlor. Originally we were able to receive rents approximating \$5.00 per sq. ft.. When the law was amended to permit the conduct of bingo games on no more than three calendar days in any one week, we were forced to reduce our rents to \$3.00 per sq. ft., or a reduction in rent of \$24,000.00 per year. For this reason we were forced to review all aspects of our tenants and that is part of the reason we became interested in the Bingo Law, at which time we discovered the inequities in the current revised law and how, with minor revisions, it could benefit more charities and provide greater tax revenues for the State, counties and municipalities.

On January 11 of this year, Senator Reilly arranged for us to have a meeting with Bob Renfro, Supervisor of the Bingo Enforcement Unit and Phil Wilkes, Attorney for the Revenue Dept., followed by a visit with Senator Reilly.

During our discussions we were able to learn the following facts:

A.) When Bingo was legalized in 1974 there was no Enforcement Unit,

B.) When the number of days that Bingo could be played was reduced from 7 to 3 in July 1985, this is when inspectors for the Enforcement Unit were hired. Additionally when the number of days were changed, this proposal was not made by the Revenue Department,

C.) When the number of playing days was reduced, tax revenues decreased by over 10%,

D.) If the number of playing days were increased from 3 to 7, no increase in staff would be required by the Enforcement Unit.

Conclusions:

According to information provided to us there are thirty (30) licensed bingo parlors in the State of Kansas. Based upon this information and making some conservative projections, we have made the following estimates of the benefits to charities and tax revenues that will be generated within the State:

30	Bingo Parlors
208	Additional playing dates per parlor if playing was expanded from 3 to 7 nights per week x 52 weeks
6240	Additional tax revenue days per year
\$11,856,000	Additional gross potential income based upon average \$1,900.00 per night
\$474,240.00	Additional tax revenue to the State of Kansas (4%)
\$355,680.00	Additional revenue to Kansas Bingo Enforcement Unit (3%)
\$118,560.00	Additional tax revenue to counties (1%)
\$118,560.00	Additional tax revenue to cities (1%)
120	Additional charities that would be available to receive net proceeds
\$10,400.00	Potential income to each of 120 charities based upon a net return of \$200.00 per night
\$1,248,000.00	Potential additional annual income to charities within the State of Kansas
\$3,000.00	Additional license income to the State for 120 charities at \$25.00 per licenses fee.
\$?	Plus an unknown additional sales tax for food and beverage sales in the Parlors

Alternate Conclusions:

In the event the number of parlors were reduced to 20 than the projections would be as follows:

20	Bingo Parlors
208	Additional playing dates per parlor if playing was expanded from 3 to 7 nights per week x 52 weeks
4160	Additional tax revenue days per year
\$7,904,000.00	Additional gross potential income based upon average \$1,900.00 per night
\$316,160.00	Additional tax revenue to the State of Kansas (4%)
\$237,120.00	Additional revenue to Kansas Bingo Enforcement Unit (3%)
\$79,040.00	Additional tax revenue to counties (1%)
\$79,040.00	Additional tax revenue to cities (1%)
80	Additional charities that would be available to receive net proceeds
\$10,400.00	Potential income to each of 80 charities based upon a net return of \$200.00 per night
\$832,000.00	Potential additional annual income to charities within the State of Kansas
\$2,000.00	Additional license income to the State for 80 charities at \$25.00 per licenses fee. Plus an unknown additional sales tax for food and beverage sales in the Parlors

CORRECTION: In order to properly restructure the Bingo Act, amending K.S.A. 79-4706 as per Senate Bill No. 69 then section (r) revised needs to be repealed.

January 31, 1989

Committee for Federal and State Affairs
Kansas State Senate
Topeka, Kansas

Honorable Chairman and Distinguished Members of this Committee:

A new Senate Bill Number sixty-nine amending K.S.A. 79-4706 is presently being introduced by your committee, will enact new legislation regarding Bingo in our State.

However this amendment in its present form would not accomplish what I believed the intent of this legislation was to be. By eliminating paragraph (Q) which related to three calendar days that Bingo may be played in any one week without changing or eliminating paragraph (R) under this present amendment, which deals with the forty-four restriction now required between sessions during the same calendar week. This amendment would not only offer a meaningless change to our existing state but would open the doors for further arbitration in relation to its definition.

However if the intent of this aforementioned amendment is for the specific reason of increasing the total number of days from three calendar days in any one week to a greater number of days, be it four, five, six, or seven, whatever the committee would deem be fair and reasonable to the utmost extent.

Since the initiation of legalized Bingo in 1974 Bingo had become one of the largest fund raising activities to the non-profit organization in the State of Kansas. Many non-profit groups utilized Bingo and depended upon its revenues almost completely, if not entirely for their community as well as their individual organizational funding. However on July first of 1985, all of this changed. For the first time since Bingo was legalized or after approximately eleven years of operation Bingo was restricted. Under the present K.S.A. 79-4706 to three days with a forty-four hour restriction between sessions at a licensed premises. At this point many of the non-profit groups across the State started to suffer. Their revenues were cut in half or less and in some cases completely out, due to the fact that the Licensed Premises they were registered at could no longer operate seven days a week. Therefore having to reduce the number of days from several times a week to several times a month, and in many instances completely drop some organizations all together.

I don't believe the original intent behind the changes of 79-4706 was to restrict the non-profit organization from utilizing Bingo as its means for necessary fund raising in this State and local communities. But instead I do believe that the need for enforcement of this statute was long over due.

(1)

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Attachment 3

At the time the three day operation and forty-four hour restriction was instituted across the state there was also State Bingo Inspectors assigned for the direct purpose of auditing and regulating the Bingo games and Halls in relation to and conjunction with the newly established statutes.

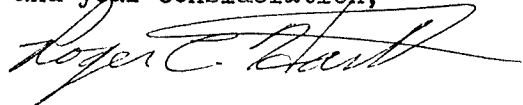
However at this time I do believe it is once again time for a change, a change back to the original reason for legalization of Bingo in our State in 1974, for the betterment and fund raising potential Bingo possesses for the non-profit groups across our State. But in order to accomplish this, steps must be taken not to restrict or prevent the smaller non-profit organizations across the State that do not have a hall of their own to operate a Bingo game. Not to utilize the Registered Premises' as a means of providing welcome as well as necessary potential funding would be a waste of an existing resource. Unfortunately there is some opposition to this legislation that believe that because they are fortunate enough to have a facility of their own that is large enough for their non-profit organization to hold their own Bingo, that it would not be necessary for numerous non-profit groups across the State that are not as fortunate to expect or deserve the same right of the operation of their Bingo games at a registered and licensed premises. For example, as I understand it using estimates that was supplied to me from various agencies, we presently have at this time roughly six-hundred and fifty licensed Bingo organizations in our State, of these only about five-hundred of these are presently playing Bingo on any given regularly scheduled basis. Which could or would utilize Bingo for a fund raising activity if they had a place or a premises to play at.

However at this time from what I understand there are only approximately thirty halls or registered premises' across the state that are big enough to support more than one organization at a time. If these premises' were being utilized to their maximum potential in as much as the number of days allowed to operate, there would be room for approximately four more organizations per hall if allowed to operate seven calendar days each week. Also from what I understand there are approximately as of April, 1988, eleven thousand, fifty-six non-profit groups and organizations across our state so the potential need for the registered Bingo premises' in our state has only just begun. In addition, the approximate gross revenues across our state in relation to Bingo is about twenty-five million dollars a year with approximately seventy-five thousand a year not counting sales tax that is returned to State and Local general funds and enforcement division. Imagine, what would the revenue potential be to the State and Local governments not to mention the fund raising potential it could have if only a reasonable percentage of the eleven-thousand non-profit groups could utilize Bingo as a fund raising activity. Please note one small example that I have attached from one of the Bingo statutes now prevailing in our State.

As a tax payer in this State as well as a member of a number of non-profit groups in this State we personally appeal to each and every member of this Distinguished Committee to undo the present lack of uniformity that our present statute regarding Bingo in our State now dictates.

I also realize that Bingo is not a privilege but a legislative act and without your support this Bill, along with other efforts to improve Bingo in our State will fail.

Thank you for your time
and your consideration,

A handwritten signature in cursive script, appearing to read "Roger C. Hart".

Roger C. Hart
Johnson County, Kansas

WICHITA BUSINESSES, INC.
P.O. Box 781090
Wichita, Kansas 67278-1090
(316) 681-2146

Reference: Senate Bill No. 69

My name is Susan Wagle. My husband and I are ex-elementary school teachers. Approximately eight years ago, after investing in and rehabilitating residential property during our free time in the Summers, we were able to venture into the small business world. We now own both residential and commercial properties in Sedgwick County, The Maintenance Co., Custom Quik Signs, Variety Paper Co., and three bingo halls by the trade name of Bingo Casino.

We believe that if you have the right product for the right price, or if you offer a service that others find valuable, you have a win/win situation. The public wins by the availability and usefulness of the product, and we win by making a profit (that is if we manage our resources properly). Our bingo halls are managed with this philosophy in mind, as are our other businesses. If we ever reach the point where we no longer provide a service to our non-profit organizations or a product to our bingo patrons, then I'm sure we will go out of business.

At present, that is far from the case. We have 18 non-profit organizations running bingo games in our halls and a file folder full of names of organizations waiting to get in. The non-profit organizations I represent are:

Breakfast Optimists
Kappa Alpha Psi Fraternity
Blessed Sacrament Mens Club
American Youth Soccer Organization
Northeast Optimists
Omega Psi Phi Fraternity
Southeast Optimists
Evening Optimists
North Optimists
Downtown Optimists
Knights of Columbus #691
Arthritis Water Exercise Club
Derby Lions Club
St. Annes Parish
All Saints Parish
We The People Inc.
Wichita Swim Club
Christ the King Parish

We believe that the success that we have experienced is short lived. Although we believe that Senate Bill 69 would be a positive move for our business, we think it is time that our legislators took a good look at our competition. The prize money that we can award during any one bingo session is \$1,200.00 this same payout was also the limit ten years ago, however inflation has

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Attachment 4

made it worth much less today. Currently, in our neighboring states, who are our competitors, the amount of prizes awarded are:

Colorado	\$1,500
Nebraska	\$4,000
Missouri	\$3,600
Oklahoma	No Limit

Although over the years we have incurred higher costs of doing business, we have not been able to pass that cost to our customers because they are still only receiving \$1,200. in prizes.

The other major difference between Kansas and our competitors is that non-profit organizations are allowed to sell pull tabs as a means of income in other states, however not in Kansas. Pull tabs are legal in Colorado, Nebraska and Missouri and it is the intent of the Legislature in Oklahoma to legalize them this session (due to the fierce competition from the Indian Reservations).

I believe that legalizing pull tabs is the only way to balance out the inequity between the Kansas laws and our bordering competitors. Also, it is the only to balance out the inequity between the urban and rural games within the state of Kansas.

For instance, in a small community a non-profit organization could sell chances for a quarter. However, in Kansas City or Wichita, where we are competing with Missouri laws or the Indian games (that are one hour away from Wichita) we could sell a chance for a dollar that would have an inherently larger prize associated with it.

Another benefit to legalizing pull tabs would be the income derived from the taxes earned on the sales. In most states there is an additional tax (just as in Kansas we have an additional 3% bingo tax on receipts) that the Department of Revenue regulates. I'm sure that if it were investigated, one would be amazed at the tax revenues that are generated by the sale of pull tabs in other states.

In closing, I ask that you give us a financial package that we can survive with and that you feel comfortable regulating. I ask that you not only increase the number of days that bingo can be operated, but also that you raise prize awards to a minimum of \$1,500. and most importantly, that you legalize pull tabs.

Thank you for your consideration.

SOUTHWEST BINGO

2801 S. W. Fairlawn Rd., Topeka, Kansas 66614
(913) 273-8304 Home 913-233-0889

To: Senate Federal and State Affairs Committee
Re: SB 69

I am grateful and would like to thank the committee for this opportunity to speak before you.

There are a few things that I would like to point out in SB 69 and make some suggestions to amend it.

SB 69 should only be passed if it takes into fair consideration the many non-profit organizations that would presently like to have bingo sessions but cannot because of the present law which restricts leased premises to 3 sessions per week with 44 hours between sessions under paragraph (r), 79-4706.

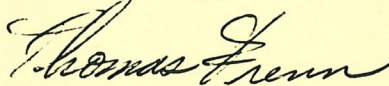
Under SB 69 only non-profit organizations who do not lease their premises would be allowed to have bingo on their premises more than 3 times per week. This in effect would give them the opportunity to lease out their buildings 3 times per week plus hold their own sessions there. Without allowing leased premises the same opportunity, this will without doubt, lead to an anti-competitive, and discriminatory situation.

If it is the purpose of SB 69 to increase the number of bingo sessions per week at all locations without regard to a groups financial status and without discrimination, then we are in favor of it. In order to accomplish this objective, paragraph (r) under 79-4706 will have to be amended in regards to the number of sessions per week on leased premises. If this is not the case, then we strongly urge that this bill be killed!

Our premises allows groups without the financial resources to afford a hall to raise money for their causes. We have many groups that have been on a waiting list for over 2 years. Some of the groups that have bingo here and some that are on our waiting list are minorities that would find it impossible to lease a room in any other way. SB 69 will do nothing to help them unless paragraph (r) is amended to eliminate the number of session per week and the hours between games on leased premises.

When we decided to open a bingo hall for non-profit groups we took into consideration the possibility of some laws being changed, but I can assure you, nothing like this. It takes a large investment to open a hall, if it were not so we would not have a waiting list. Please keep in mind the above suggestions. I know that you and this committee will do what is fair and equitable and I thank you in advance.

Yours truly,


Thomas Frenn
Southwest Bingo

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Attachment 5

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81 the date the game is managed, operated or conducted.

82 (m) No person under the age of 18 years shall participate in the
83 management, operation or conduct of any game of bingo managed,
84 operated or conducted under the provisions of this act.

85 (n) A lessor of premises used for the management, operation or
86 conduct of bingo or a licensee may not advertise bingo games except
87 to the extent and in the manner prescribed by the rules and reg-
88 ulations adopted by the secretary of revenue, and any advertisement
89 of any bingo game by or on behalf of such lessor or licensee shall
90 specify the organization which is managing, operating or conducting
91 the bingo game.

92 (o) No lessor of premises used for the management, operation or
93 conduct of any games of bingo or any licensee shall offer an op-
94 portunity to participate in a game of chance, drawing, contest, door
95 prize, game, test of skill, lottery or any similar activity as an in-
96 ducement to participate in games of bingo nor as a bingo prize or
97 preliminary to the awarding of a bingo prize.

98 (p) No licensee shall manage, operate or conduct bingo on any
99 leased premises or with leased equipment unless all of the terms
100 and conditions of rental or use, including the rental of chairs, bingo
101 equipment, tables, security guards, janitor service or any other serv-
102 ices, are set forth in a lease submitted, approved and on file with
103 the secretary of revenue.

104 ~~(q) No premises shall be used for the management, oper-~~
105 ~~ation or conduct of bingo games on more than three calendar~~
106 ~~days in any one week.~~

107 ~~(r)~~ (q) No premises shall be subdivided to provide multiple prem-
108 ises where games of bingo are managed, operated or conducted,
109 whether or not the multiple premises have different addresses.

110 ~~(s)~~ (r) No game of bingo shall be managed, operated or conducted
111 on leased premises if at any time during the immediately preceding
112 44 hours the premises, ~~or any premises within 1,000 feet of them,~~
113 have been used for the management, operation or conduct of a game
114 of bingo.

115 ~~(t)~~ (s) Every licensee who has gross receipts of \$1,000 or more
116 received from participation in games, admission fees or charges and
117 from any other source directly related to the operation or conduct

any
delete
8

Exodusters Awareness Incorporated



TO: Senate Federal & State Affairs Committee
Capitol Building, Rm. 254 East
Topeka, KS


RE: Senate Bill # 69

DATE: February 1, 1989

The officers and members of Exodusters Awareness, Inc. have long observed the various changes to the Kansas Bingo Regulations and we welcome this opportunity to speak to this committee regarding SB # 69. This bill would be a good change IF it were not discriminating against the small non-profit organizations that lease their equipment and hall from a Bingo Parlor.

To eliminate paragraph (q), without also eliminating paragraph (s), would give permission to play bingo games seven days a week to every sponsor except those leasing their hall. Since only the larger non-profit organizations (such as; fraternal orders and social clubs) can afford the initial capitol investment of equipment and building, the passage of Senate Bill # 69 as it now stands would be very discriminating to the small non-profits who can not afford to open their own building and install their own equipment.

Please amend senate bill # 69 (as stated above) and pass it, so as to benefit ALL non-profit organizations in Kansas.


Linda K.S. Brown, Treasurer

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2-1-89

Attachment 6

Jeanne Hoey

TO: FEDERAL AND STATE AFFAIRS COMMITTEE

FROM: VETERANS OF FOREIGN WARS AUXILIARY--POST # 2993-OLATHE, KANSAS

BINGO HAS BEEN AND STILL REMAINS TO DATE, THE SOURCE OF FUNDS FOR THE V.F.W. AUXILIARY TO PERFORM THE MANY DIFFERENT COMMUNITY SERVICE PROJECTS WE DO THROUGHOUT THE YEAR.

i.e. MONTHLY VISITS TO THE V.A. HOSPITAL IN LEAVENWORTH SERVICE CENTER SERVING REFRESHMENTS AND PLAYING BINGO FOR CASH PRIZES WITH THE RESIDENTS OF A DOMICILIARY IN ADDITION TO PICNICS, COOKOUTS, WATERMELON FEEDS AND CARNIVALS DURING SUMMER MONTHS.

EACH YEAR ON PALM SUNDAY WE HAVE A CHILDRENS EASTER EGG HUNT CO-SPONSORED WITH MAHAFFIE FARMSTEAD. ON MARCH 19, 1989, THE V.F.W. AUXILIARY IS PLANNING TO PURCHASE FOUR HUNDRED DOZEN EGGS, COLOR THEM, HIDE THEM AT THE MAHAFFIE FARMSTEAD AND HELP APPROXIMATELY ONE THOUSAND CHILDREN FIND THE EGGS. AS IN EACH YEAR PREVIOUSLY, WE RENT AN EASTER BUNNY COSTUME AND AN AUXILIARY MEMBER DAWNS THE COSTUME AND HANDS OUT CANDY EGGS, ALSO PURCHASED BY THE V.F.W. AUXILIARY, PLUS PARENTS TAKE PICTURES OF THEIR CHILDREN WITH THE EASTER BUNNY.

WE SPONSOR A HALLOWEEN PARTY FOR THE CHILDREN EACH YEAR GIVING PRIZES FOR THE BEST COSTUME AND HANDING OUT BAGS OF CANDY AND FRUIT TO EACH CHILD, PLUS SERVING CUP CAKES AND PUNCH.

AT CHRISTMAS TIME, WE RENT A SANTA CLAUS COSTUME WHICH ONE OF OUR POST MEMBERS WEARS AND HANDS OUT BAGS OF FRUIT AND CANDY PLUS A TOY TO EACH CHILD AND THE AUXILIARY SERVES COOKIES AND PUNCH TO THE CHILDREN AND THEIR PARENTS.

A DINNER IS DONATED, PREPARED AND SERVED BY THE AUXILIARY AT THE POST HOME FOR THANKSGIVING AND CHRISTMAS.

FOOD, CLOTHING AND TOYS ARE BOUGHT AND DISTRIBUTED TO NEEDY FAMILIES AT CHRISTMAS.

BURN OUT VICTIMS ARE GIVEN HELP WITH CASH, FURNITURE AND CLOTHING.

INDIGENT AND ELDERLY ARE HELPED WITH FOOD, UTILITIES, CLOTHING AND VARIOUS NEEDS THROUGHOUT THE YEAR AS THE NEED ARISES.

NEEDLESS TO SAY, THIS AND MUCH MORE, ALL TAKES MONEY!!!!!! THE MORE NIGHTS WE CAN SPONSOR BINGO AT BINGO PALACE, THE MORE MONEY WE CAN MAKE, THUS, THE MORE COMMUNITY SERVICE PROJECTS WE CAN PERFORM.

NATURALLY, THESE PROJECTS WERE REDUCED IN NUMBER AT THE REDUCTION OF THE NUMBER OF BINGO NIGHTS TO THREE DAYS ON JULY 1, 1985.

*SF2SA
2-1-89*

Attachment 7

Hattie Hatfield

Mr. Chairman,

I wish to thank you and your committee for taking time to listen to our presentation of why we would like our 3 day limit on playing Bingo to be changed.

I have been chosen by our group to speak for the following organizations in order to save time. We are all hurting for more playing time. Rosedale V.F.W. Post 869, K. C. K. VFW post 111, VFW Post 6994, American Legion Post 217, VFW Post 869 Auxiliary and Rosedale Optimist Organization. All these organizations are represented here today except American Legion Post 217. He is at the St. Margaret's Nursing Home s regular Monthly party they sponsor.

Before bingo was cut to 3 days, each post or organization played once a week even though the Bingo Law says they can play twice a week, but they are the smaller organizations who cannot afford or do not have their own premises. We do not think that just because they are without places to play of their own, they should be penalized. This was a case of some of them having to cancel out altogether or play every other week. Between these six organizations, they were sponsoring 8 Junior League ball teams, 4 soccer teams, Junior Polympics, monthly hospital parties at the VA hospital, helping needy families, donations to practically all funds such as muscular dystrophy, March of dimes, cancer fund, neighborhood projects, etc. These services have been cut approximately 60% on account of the 3 day law. We pay 9% tax on the gross sales of Bingo plus 6% sales tax on the snack bars. We thought the State could use and needed this tax money. We would like to get back to our old schedule. We keep getting hustled to sell lottery tickets. On these short hours it doesn t make sense to try it. The state sells lottery tickets 7 days weekly, 24 hours a day. We are sure the horse or dog races will not be a 3 day operation as it would not be worthwhile. We are at apoint where we need our time extended back where it was.

We thank you for listening to our side of the story. Please help us. We need it.

*SF & SA
2-1-89*

Attachment 8

January 30, 1989

Committee for Federal & State Affairs
Kansas State Senate
Topeka, KS

Honorable Chairman:

The Olathe Girls Softball Association wishes to express its wholehearted support of repeal of the current 3 day/44 hour restriction on bingo games in the State of Kansas.

OGSA was formed in the late 1970's to teach softball, sportsmanship, and just for plain fun for girls interested in softball.

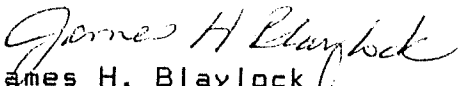
Over the years, our organization grew to its current membership of over 500 girls from 8 to 19 years of age. We found our teams constantly shuffled from field to field around the city, with families traveling in circles to keep up with their children's games. Clearly, we needed our own complex.

In 1982, OGSA began sponsoring bingo in Olathe. Based on the money it was generating, we contracted to purchase land and began to design our complex. Only two years later, after the 3 day/44 hour restriction was passed, our profits plummeted. They have continued downward since then, and we were forced to compromise and sell our complex to the City of Olathe.

This downturn in our revenue was, of course, reflected in a similar reduction in taxes paid to the State of Kansas, from \$16,464.13 in 1983 to \$9,767.33 in 1987. This law is hurting all of us.

HELP! Lift the restriction and allow us to operate 7 days a week as all other forms of gambling in Kansas do.

Sincerely,


James H. Blaylock
Olathe Girls Softball Association
Bingo Chairman

SF & SA
2-1-89

Attachment 9