

Approved 2-20-92

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Sen. Edward F. Reilly, Jr. at 11:00 a.m. on February 5, 1992 in Room 254-E of the Capitol.

All members were present except:

Sen. McClure was excused  
Committee staff present:

Mary Galligan, Legislative Research Department  
Mary Torrence, Office of Revisor of Statutes  
Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:

See attached list

Senator Reilly called the meeting to order and asked Sen. Hayden to brief the committee on SB 567. Sen. Hayden stated this bill was drafted at the request of a constituent, who is ill with cancer and whose wife has only recently become an U.S. citizen. This bill would permit transfer of the alcoholic liquor retail license to her, and that he has worked with the ABC on the bill.

Senator Reilly introduced Senator Moran, who briefed the committee on SB 513. He stated this bill was requested by a constituent who is a lottery winner, who wants to assign the assets in his estate. The sole purpose of this legislation is to assist people to distribute lottery assets.

Committee members raised questions focusing on income vs. estate taxes and the lottery's responsibilities in administering taxes and how deductions are made when lottery checks are distributed. John Roberts, Attorney for the Lottery, clarified some of those areas. Sen. Reilly requested that staff research what other states procedures are.

Senator Reilly asked the committee to focus its attention to SB 516 and introduced the following proponents who spoke to the committee in support of SB 516:

Pete McGill, Pete McGill & Associates, (Attachment 1);  
Roy Berger, Executive Vice-Pres., Wichita Greyhound Park,  
(Attachment 2);  
Richard E. LaMunyon, Executive Director, Wichita Greyhound  
Charities, Inc., (Attachment 3);  
Dana Nelson, Executive Director, Kansas Racing Commission,  
(Attachment 4);  
Richard Boushka, President, Sunflower Racing, (Attachment 5);  
Jim Yonally, Trak-East, (Attachment 6);

Rev. Richard Taylor, President of Kansans for Life at its Best, appeared before the committee opposing SB 516 (Attachment 7).

The meeting adjourned at 12:05.

GUEST LIST

COMMITTEE: Fed. & State Affairs

DATE: Feb. 5, 1992

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Richard LaMunyan	Wichita	Wichita Greyhound Club
Roy Berger	Wichita	Wichita Greyhound Park
DANA NELSON	TOPEKA	KRC
Georgann Smith	TOPEKA	KRC
Cassey Hoffmann	Wichita	Page
Derek Kreibek	Wellington	Page
Jennifer Kreibek	Wellington	Page
Bob Skymon	Seawood	KC Star
Whitney Damron	Topoka	Pete McMill & Associates
Pete McMill	Topoka	Pete McMill & Assoc. / WWP
Cathy WATAKOS	TOPEKA	KQ & RA
Karen Tolle	Topoka	KQ & RA
Derrieth L. Sutton	Topoka	Kansas Lottery
Nick Roach	Topoka	Barbee & Assoc.
John Roberts	Topoka	Kansas Lottery
Jim Morrison	Topoka	Observer
Matt Truell	Topoka	AP
DICK TAYLOR	TOPEKA	LIFE AT BEST
Cecil Kramer	Lyndora	✓ ✓
Dave Bordeall	Lyndora	Mt Pleasant Community Church
Debbie Green	Topoka	Senate Majority Leader
Wish Curtis	Topoka	Pete McMill & Assoc. <sup>staff</sup>
Dick Boushka	KC	Seniflower Racing Inc
Rick Henson	"	"

**TESTIMONY**  
**OF**  
**PETE MCGILL**  
**OF**  
**PETE MCGILL & ASSOCIATES**  
  
**ON BEHALF OF**  
  
**WICHITA GREYHOUND PARK**  
  
**PRESENTED BEFORE**  
  
**THE**  
**SENATE FEDERAL AND STATE AFFAIRS**  
**COMMITTEE**  
  
**FEBRUARY 5, 1992**  
  
**RE: SENATE BILL 516**

Good morning Mr. Chairman, Members of the Committee, I am Pete McGill of Pete McGill & Associates appearing today on behalf of Wichita Greyhound Park in support of SB 516 which would set the state tax at 3/18 for all forms of parimutuel racing and eliminate the state tax escalation clause presently found in the parimutuel statutes. Joining me today is Roy Berger, Executive Vice-President of WGP and recognized throughout the parimutuel industry for his exceptional competence and knowledge of greyhound racing. Also with me today is Whitney Damron of our office. During the past five years, either Whitney or I, and usually both have covered every legislative committee when parimutuel issues have been discussed as well as all meetings of the Kansas Racing Commission.

As many of the members of this committee are aware, the enabling legislation adopted by the 1987 Kansas legislature following the passage of the 1986 Constitutional Amendment on Parimutuel Wagering provided for a graduated increase of the state tax on parimutuel greyhound racing. Reasoning for this approach was based upon allowing the parimutuel industry to get on its feet, so to speak, at which point licensed tracks would have hopefully worked through start-up difficulties allowing revenues & expenses to all parties to be maximized due to efficiencies of experience.

Today, as the tax escalation clause looms on the not-so-distant horizon, we are facing issues and market pressures which were not even conceived of during

that time period: Impending Indian gaming compacts, video lottery proposals, riverboat gambling as well as significant property tax increases which were neither contemplated nor intended by the legislature. To add to these issues, the country continues to suffer from the effects of a sluggish economy. Four and five years ago you heard there are only so many gambling or entertainment dollars available in the state of Kansas. Once again, no one can predict the precise impact some of these factors may have if ultimately approved, but all could be devastating to the parimutuel industry.

We are not alone in our concerns for the future of parimutuel. Virtually all racing jurisdictions in the country have experienced a downturn in their racing handle during the past decade due in large part to the increased competition for entertainment dollars, including Indian gaming and video lotteries. Kansas is also not alone in having a racetrack facility close down due to poor market conditions. Many other states, including Alabama, Colorado, Florida, Minnesota and South Dakota have seen new facilities become unable to open, existing facilities close down or historically strong operations be forced to substantially alter their racing program in order to survive. Even Remington Park in Oklahoma City which opened only a few years ago to remarkably high horse racing handles has been forced to slash purses and is reportedly on the market for sale.

We are proud of the economic contributions we have made to the state of Kansas, Kansas charities, our kennel operators and the 400+ employees of WGP

since our 1989 opening. Subsequent conferees will elaborate upon the revenues we have paid into the state gaming fund and general fund. We would hope the committee would take into consideration the playing field of the state of Kansas in 1986 and how it looks today.

We are not asking that this tax rate be set in stone for now and ever more. As with all tax rates and assessments, the legislature is free to revisit this subject in any year. We would respectfully suggest that at this time the revenue requirements of the state are outweighed by the negative impact upon the parimutuel industry.

I would be happy to respond to your questions at this time but would suggest you hear from other conferees first who may cover your points of inquiry in their testimony.

Roy Berger Remarks Re: SB 516  
February 5, 1992

Mr. Chairman and Members of the Committee:

On behalf of Wichita Greyhound Park, I thank you for the opportunity to speak before you today and to ask your support of Senate Bill 516 seeking a pari-mutuel tax freeze.

The pari-mutuel racing industry in Kansas and nationally has seen a business downturn the past couple of years due to a faltering economy and severe competition for the wagering and discretionary dollar as Mr. McGill touched upon earlier.

Wichita Greyhound Park in its brief two plus year history has never achieved the bottom line profitability that its ownership expected after making an initial \$18 million investment in Kansas and that bottom line profitability is challenged everyday in this ever changing competitive marketplace.

As the first full year of racing at Wichita Greyhound Park got underway in 1990, the track was handcuffed from some of its most lucrative racing dates by competition from Eureka Downs and, just

as the Eureka competition drew to a close, the economy in 1990 went into a downturn from which this country still hasn't recovered. The 1991 season was mired in Desert Storm early in the year and a sputtering economic condition throughout the balance of the year.

To give a better illustration of what has happened to our business through the first 40 racing sessions of 1992, Wichita Greyhound Park has drawn 56,838 fans who have wagered almost \$6.3 million. This represents an attendance decrease of 3% from 1991 with a mutuel handle about even. However, when we compare our attendance and handle with 1990 when business conditions were a bit more favorable, we find this year's attendance trailing the 1990 pace by 18% and the wagering by 7.5% - truly numbers to be greatly concerned about in our industry. Despite these facts, Wichita Greyhound Park increased its advertising and marketing budget by 30% or \$300,000 this year to remain competitive in the marketplace.

I hope you'll agree with me that Wichita Greyhound Park has been a prime contributor to the State of Kansas by paying our fair



share of taxes in many areas.

For instance last year WGP paid:

- \$108,000 in Admission taxes
- \$208,000 in Sales tax
- \$145,000 in Liquor tax
- \$320,000 in withholding tax to the State on large gambling winnings
- \$290,000 in unclaimed winning tickets and \$190,000 in wagering breakage that help support the racing, breeding and tourism industry in the State.
- We paid to the State Racing Commission \$180,000 in reimbursement for judges, \$87,000 in reimbursement for animal health officers and \$59,000 in daily license fees.
- Our pari-mutuel tax to the State in 1991 resulted in a payment of over \$2.5 million and well-above \$5 million since our inception.

- We've seen our personal property tax, real estate tax and special assessments skyrocket from a total of \$414,000 in 1990 to a whopping \$725,000 in 1991.
- We've paid over \$7 million in purses to greyhound owners, breeders and kennel operators in our short history.
- And finally, while there's no doubt we've contributed to the State of Kansas, WGP is proud to have paid to Wichita Greyhound Charities over \$770,000 in 1991 alone to be distributed to worthy organizations and that doesn't include a \$100,000 fee paid to the Wichita Greyhound Charities to administer their operation.
- The sum of these totals in our brief existence well exceeds \$15 million, therefore, we need your help to continue to make contributions at this level and hopefully build business to even greater heights.

Att. 2  
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Members of the Committee, we're certainly proud of our contribution to the State of Kansas but we need to maintain and maximize bottom line profitability if we hope to compete on a level playing field in our marketplace.

I'd like to conclude by referencing two of the new states in pari-mutuel wagering that have made recent legislative adjustments to their pari-mutuel tax structures.

Iowa, where I helped inaugurate the industry in 1985, passed legislation in 1989 that took the State tax rate from a straight 5% of handle to incremental levels of 3% for the first \$30 million wagered; 4% from \$30 million to \$55 million wagered; and 5% for \$55 million and up.

Texas just passed a similar bill answering the racetracks need for consideration from a newly passed state lottery.

Texas took their pari-mutuel tax from a flat 6% and reduced it to 2% of the first \$100 million wagered; 3% for the next \$100

Att. 2  
5

million; 4% up to \$300 million; and then 5% over \$300 million wagered.

The pari-mutuel industry applauds Iowa, Texas and other states that have passed legislation to help the racing industry stay strong.

I thank you for your time and attention today and Wichita Greyhound Park respectfully asks for your support on SB 516.

I'll be glad to answer any questions you might have. Thank you.

ATTACH.

Richard E. LaMunyon  
Executive Director, Wichita Greyhound Charities, Inc.  
Comments re: Senate Bill 516  
February 5, 1992

Mr. Chairman and Members of the Committee:

I am Richard LaMunyon, Executive Director for Wichita Greyhound Charities, Inc. Wichita Greyhound Charities, Inc. was granted the Organizational License for parimutuel wagering in the Wichita area. We contracted with Wichita Greyhound Park to build the track and to conduct parimutuel wagering. I wish to compliment Wichita Greyhound Park's owners and staff for the contribution that is being made to the State of Kansas. Wichita Greyhound Charities is responsible to oversee the operation of Wichita Greyhound Park and ensure that Kansas Law and the rules and regulations of the Kansas Racing Commission are being followed. In my opinion, the owners and staff of Wichita Greyhound Park have complied with all statutory agreements and requirements of the Kansas Racing Commission.

Mr. Pete McGill and Mr. Roy Berger have testified earlier. I am in agreement with their testimony. Wichita Greyhound Park has had a positive economic effect on Wichita, Sedgwick County and the State of Kansas. Significant taxes are being paid to the State and to Sedgwick County. Payroll to employees and to kennel purses enhance the economic stability of our State and our area.

As per our management agreement, Wichita Greyhound Park pays Wichita Greyhound Charities \$100,000 a year for Administrative

Att. 3  
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costs. They provide office space for onsite supervision for the Racing and Mutuels departments. In addition, they provide one percent of the handle to be disbursed to Kansas charities. In 1990, Wichita Greyhound Charities disbursed \$671,942 to 73 organizations. In 1991, we were able to disburse \$789,000 to 112 organizations. We anticipate a minimum of \$650,000 to be disbursed to Kansas charities in October of this year. To my knowledge there is no racing facility in the world that contributes this per capita amount of money to charities. I have attached for your information a copy of WGC's first Annual Report. The second Annual Report is being developed. Please keep in mind that this is a twenty-five year commitment on the part of WGP to WGC.

I am pleased with the development of Wichita Greyhound Park over the past two years. While the Charities impact our state and our citizens in a very positive way, we derive our funds directly from the successful operation of Wichita Greyhound Park. Wichita Greyhound Park is a business, a business that has proven to be a benefit to the citizens of the State of Kansas. It is necessary that this business or any business be allowed to make a profit. They are currently paying their debt requirement for building the track as well as paying all other taxes, payroll, maintenance and other requirements of the State. They are faced with the possibility of additional "gambling" which, in my opinion, will have an adverse effect on our track. The downturn in our economy and the question as to whether the Racing Industry can compete in the future entertainment market are legitimate concerns.

Att. 3  
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I believe that Wichita Greyhound Park is operating efficiently. By its record, it has shown to have a positive impact on the State of Kansas. Senate Bill 516 provides some protection to a young but proven entity. The Legislature has the authority to come back at any time and review this issue. I thank you for your time and would ask you on behalf of Wichita Greyhound Charities to support Senate Bill 516.

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WICHITA GREYHOUND  
**CHARITIES, INC.**



**PEOPLE • ARTS • TOURISM**

**1990—1991 ANNUAL REPORT**

Att. 3  
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## A Message From the President

I am proud to report that our first year has been a resounding success.

Last October we distributed one of the largest charitable donations ever generated by the parimutuel racing industry, over \$670,000, to 73 Kansas not-for-profit charities.

We assisted fine-arts organizations with grants of \$158,000.

We supported tourism in Kansas with grants totaling nearly \$188,000.

And in fulfillment of our most important mission, the homeless, the hungry and the needy were helped with nearly \$326,000 in grants.

A contingency fund maintained for unforeseeable emergencies was recently utilized to provide \$25,000 for the relief of the victims of the devastating April tornadoes that swept through Kansas. Last year, we gave Hesston tornado victims a grant of \$10,000.

Our work is benefiting the entire state of Kansas on many levels.

Examples of the specific projects we've funded demonstrate the breadth and depth of our commitment: the Hutchinson Theatre Guild will purchase a portable stage lighting system so theat-



*Thomas D. Kitch*

rical productions can take to the road and be enjoyed by communities without professional stage facilities; the Winfield Arts and Humanities Council will publish a directory of area events and attractions; the Ark City Arts Council will be host to a visiting actress.

The Kansas natural environment benefits from a grant to help restore the ecological health of Cheyenne Bottoms, a wetlands region vital to Kansas wildlife; Lake Afton Observatory will soon sport a new exhibit of meteorites; Botanica - The Wichita Gardens will begin construction of a garden plaza entrance.

Venture House in Wichita will hire an employment specialist to help the jobless find work; the Salina Emergency Aid Food Bank can assist more low-income clients; Reno County's Sexual Assault/Domestic Violence programs received funding for various projects.

These examples are only a glimpse of the many ways that the charitable funds generated at Wichita Greyhound Park are enabling Kansans to help our communities as we help each other.

The fabric of our community and our state is woven by non-profit organizations that provide cultural enrichment, exercise compassion and enhance awareness of the world around us. Greyhound Grants are our way of empowering these organizations to continue and extend good works.

*- Thomas D. Kitch*

## Wichita Greyhound Charities

### History and Background

Wichita Greyhound Park provides fun and excitement for thousands of Kansans and out-of-state visitors. But the park is much more than an entertainment venue. It is the center of one of the most significant charitable endeavors in the state. Of every dollar wagered at the park, one penny goes into a fund that helps all Kansans.

In 1988, Wichita Greyhound Charities, Inc. was formed to assure that a generous percentage of revenues generated by racing in Kansas would be returned to Kansans through charitable agencies.

Granted a license by the State of Kansas to operate a parimutuel greyhound racetrack, Wichita Greyhound Charities contracted with the for-profit Wichita Greyhound Park, Inc. to build and run the day-to-day operations of the park. Part of this contract was the almost unprecedented stipulation that one percent of the total racing wagers be allocated for charity. An additional \$100,000 donated by the park covers administrative costs, assuring that nearly all of the one percent of the handle goes to charity.

In most similar arrangements across the country, charitable contributions are figured

from the profit a track makes - and a track may take years to generate its first profit. Requiring that Wichita Greyhound Park contribute one percent "off the top" guaranteed an immediate source of funds for charitable works throughout the state.

Wichita Greyhound Park opened in September, 1989; \$77 million was wagered in the first year of operation.

In 1990, more than 170 applications for funding were received for the first annual Greyhound Grants. In October, 1990, \$671,942 was awarded to 73 agencies that promoted humanitarian, tourism and cultural programs.

Here's how the allocation process works:

Not-for-profit organizations may send a letter requesting grant guidelines and an application form. Applications are received from January through May.

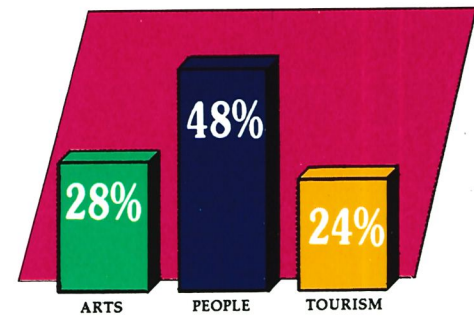
Through mid-July, the applications are reviewed and recommended to board sub-committees overseeing the three areas of emphasis.

The sub-committees submit final recommendations to the full board of directors which makes the final grant decisions in September.

Att. 3  
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# 73 organizations benefit from \$671,942 in grants from Wichita Greyhound Charities...

How the money is spent...



## FOR PEOPLE

Accent on Kids-Ronald McDonald House  
 American Red Cross  
 Association for Retarded Citizens/  
 Sedgwick County  
 Big Brothers/Big Sisters/Sedgwick Co.  
 Boys and Girls Club of Wichita, Inc.  
 Boy Scouts/Quivira Council  
 Care and Share in Council Grove  
 Catholic Charities/Wichita  
 Child Care Association of Wichita/  
 Sedgwick Co.  
 Cowley County Development Services  
 Cranford Living-Learning Centers, Inc.  
 in Wichita  
 Crisis Hotline of Salina

Episcopal Social Services/  
 Venture House in Wichita  
 The Farm, Inc. of Emporia  
 Goodwill Industries/Easter Seal Society/  
 Hesston Tornado Victims Fund  
 Hospice, Inc.  
 Inter-Faith Ministries in Wichita  
 Kansas Child Abuse Prevention Council  
 Kansas Children's Service League  
 Kansas Elks Training Center (KETCH)  
 Kansas FoodBank Warehouse  
 Kansas Special Olympics  
 Manhattan Emergency Shelter, Inc.  
 Medical Service Bureau, Inc. in Wichita  
 Mid-Kansas Community Action  
 Program/Butler County  
 Mental Health Association of  
 South Central Kansas  
 Mother-to-Mother Ministry/Reno Co.  
 Project Deserve/KG&E  
 Rainbows United, Inc. of Wichita  
 Salina Emergency Aid Food Bank  
 Salvation Army of Lawrence  
 Salvation Army of Wichita  
 Senior Services, Inc. of Wichita  
 Sexual Assault/Domestic Violence/  
 Reno County  
 St. Anthony House in Wichita  
 Wichita Area Girl Scout Council  
 Wichita Area Sexual Assault Center  
 Wichita Children's Home  
 YWCA of Wichita

## \$325,962 to help those in need ...

Attach. 3

# Wichita Greyhound Charities Board of Directors



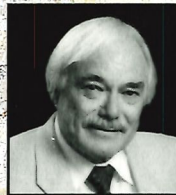
**Thomas D. Kitch, president, WGC, Inc.** partner, *Fleeson, Gooing, Coulson and Kitch*; director, *Wichita Chamber of Commerce, Kansas State Bank*; president/director, *Cities in Schools*

**Larry D. Van Horn, sec./treas. WGC, Inc.** partner, *Baird, Kurtz and Dobson*; *Quivira Council, Boy Scouts of America*; president, *Wichita Club, Rotary Club*; treasurer, *Wichita Wagon Masters*; board member, *Wichita River Festivals, Inc.*



**Charles Belt, vice-president, WGC, Inc.**; committee member, *United Way of the Plains*; exec. committee member, *Kansas Highway Users Conference*; board member, *Medical Services Bureau*

**Daniel E. Foley,** president, *Foley Enterprises*; board member, *Wichita Symphony, Wichita Art Museum*; member, *WSU Alumni Association*



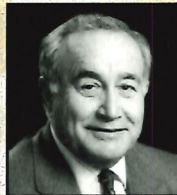
**John M. Bell,** executive vice-president, *Security Abstract and Title Co.*; executive committee, *Wichita Symphony*; chairman, *Abstracters Board of Examiners*; exec. sec., *Kansas Land Title*; board member, *N.C.C.J.*

**Kenneth P. Brasted, II,** secretary/treasurer, *Wesley Foundation*; trustee, *WSU endowment Association, Wichita Community Foundation*



**Otis Milton,** president and CEO, *Urban League of Wichita*; *KPTS-TV*; *Hunter Health Clinic*; *Global Learning Center*

**Connie Dietz,** exec. dir., *Business Education, WI/SE Partnership*; board, *Wichita Area Girl Scouts, Cities in Schools, Forum for Executive Women*; *Dean's Advisory Council, WSU College of Education*



**Glen Rupe,** president, *Rupe Oil Company*

**June Landrith,** owner, *June Landrith School of Ballet*; artistic director, *Metropolitan Ballet of Topeka*; founder of *Metropolitan Ballet of Wichita*



**Michael C. Weigand,** senior vice president, secretary/treasurer, *J. P. Weigand and Sons, Inc.*; director, *Wichita Chamber of Commerce*; legislative liaison for *Kansas, International Council of Shopping Centers*

# Wichita Greyhound Charities Staff



from left to right:  
Richard LaMunyon  
Diana R. Otis  
Jeana Stuck

Att. 3  
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# \$187,980 will strengthen Kansas tourism...

## TOURISM

Botanica-Wichita Gardens  
Boot Hill Museum in Dodge City  
Cherokee Strip Land Rush Museum  
in Arkansas City  
Ducks Unlimited of Kansas  
Greyhound Hall of Fame in Abilene  
Kansas Cosmosphere and Space  
Center in Hutchinson  
Lake Afton Public Observatory  
in Wichita  
Mid-America All-Indian Center, Inc.  
Old Cowtown Museum in Wichita  
Sedgwick County Zoo  
Wichita Audubon Society  
Wichita-Sedgwick County  
Historical Museum

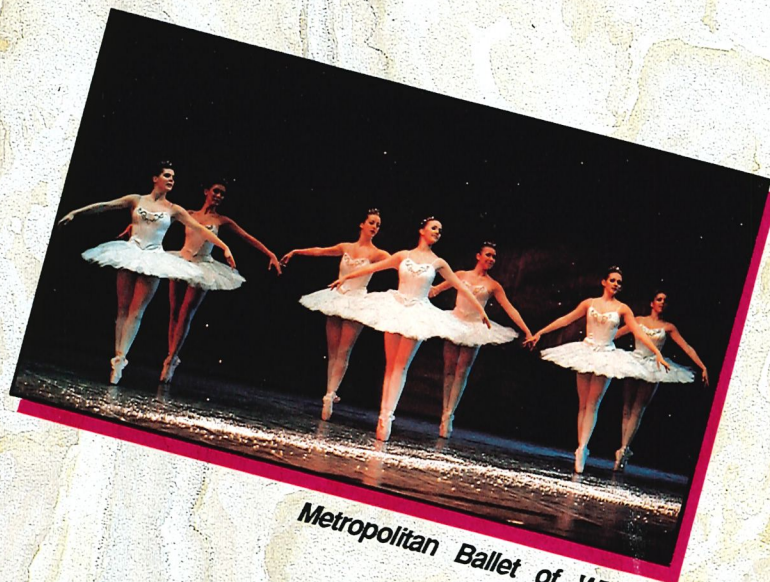


*Sedgwick County Zoo*

# \$158,000 for cultural enlightenment...

## THE ARTS

Ark City Arts Council  
Friends of Wichita Art Museum  
General Federation/Women's  
Clubs of Kansas  
Hutchinson Fox Theatre  
Hutchinson Theatre Guild, Inc.  
Harvey County Historical Society  
Kansas Watercolor Society  
McPherson Opera House  
Preservation Company, Inc.  
Metropolitan Ballet/Wichita  
Music Theatre of Wichita, Inc.  
Music Theatre for Young  
People/Wichita  
Opera Kansas Society  
Wichita Art Association  
Wichita Children's Theatre  
Wichita Chamber Chorale, Inc.  
Wichita Community Theatre, Inc.  
Wichita Jazz Festival, Inc.  
Wichita/Sedgwick County  
Arts & Humanities Council  
Wichita Symphony Society, Inc.  
Wichita Theatre Organ, Inc.  
Winfield Arts & Humanities Council



*Metropolitan Ballet of Wichita*

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**WICHITA GREYHOUND CHARITIES, INC.**

**SELECTED FINANCIAL DATA**

Fifteen-Month Period Ended December 31, 1990

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**INCOME STATEMENT DATA:**

Gross handle income	\$94,195,494
Total cost of operations	<u>93,253,539</u>
Net racing income	941,955
Operating income	<u>125,000</u>
Total income	1,066,955
Total administrative costs	<u>208,780</u>
Income before other income (expense) and required transfers	858,175
Other income (expense)	<u>42,423</u>
Income before required transfers	900,598
Required transfers to charitable organizations	<u>900,598</u>
Excess of income over expenses	<u>-0-</u>

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**BALANCE SHEET DATA**

Current assets	\$804,613
Equipment & furnishings	22,671
Less accumulated depreciation	<u>4,959</u>
Total assets	<u>\$822,325</u>
Current liabilities	\$815,327
Long-term debt less current portion	<u>6,998</u>
Total liabilities	822,325
Fund balance	<u>0</u>
Total liabilities and fund balance	<u>\$822,325</u>

**Auditors: F.B. Kubik & Company Wichita, Kansas**

Interested parties can review full audit report at the address  
listed below during normal business hours.

Wichita Greyhound Charities, Inc.

1500 E. 77th St. N. • P.O. Box 277 • Valley Center, KS 67147 • 316-755-2381

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ATTACH. 4

Testimony of Dana Nelson  
Executive Director  
Kansas Racing Commission  
for the  
Senate, Federal and State Affairs Committee  
February 5, 1992  
Senate Bill 516

Good morning Mr. Chairman, members of the Senate, Federal and State Affairs Committee. My name is Dana Nelson I am the Executive Director of the Kansas Racing Commission. I come before you today to share with you some observations which the Kansas Racing Commission has with regard to the parimutuel racing industry not only in this state but in the country.

The role of the Kansas Racing Commission in this process is to be a resource, and not necessarily an advocate for this piece of legislation. However, any body which regulates an industry has a corresponding responsibility to make sure the industry being regulated is healthy. I can not stand before you today and tell you that the parimutuel racing industry across this country, and in our own state is as healthy as it could be.

When the people of Kansas authorized parimutuel wagering with a constitutional amendment in 1986, the industry was coming off some of the highest points in its history. New tracks were being built and opened almost daily. The states of Minnesota, Iowa, North Dakota, Virginia, Tennessee, Wisconsin, Texas, and Indiana also authorized parimutuel wagering in the same time frame. Coincidentally, many states also moved into the lottery

ATT. 4  
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business, and others approved some form of limited gaming or riverboat gaming.

It appeared as though Kansas was moving in the same direction as many other states and parimutuel would be a significant economic development activity for the state. On the other hand however, Kansas could not have entered the parimutuel racing industry at a worse time. The rapid expansion of gaming throughout the country, both parimutuel and lottery, and the economic climate served to change the industry for evermore. Rather than seeing increased parimutuel handles as the industry experienced throughout the country for the past 10 to 15 years, the industry took a turn in 1986. Since 1986, not a single greyhound track in this country has shown a five-year trend of increasing handles. In fact to the contrary, many tracks have shown a continued downward spiral over the same five-year period. Kansas itself got off the mark in 1989 with Wichita Greyhound and the Woodlands opening. Wichita Greyhound averaged a very respectable \$190,000 per performance. The Woodlands quickly became one of the top five greyhound tracks in the country by averaging a very healthy \$507,000 per performance its first four months of operation. 1990 brought the typical sophomore returns, when Wichita averaged just a shade under \$174,000 a performance, an 8.6% reduction, and Woodlands approximately \$477,000 for a 5.9% reduction. Normally history would suggest that the third year should remain stable if not increase slightly over the second year. However, for 1991

Wichita averaged \$171,600 a performance, a very modest 1.3% drop. Woodlands on the other hand averaged \$411,000 a performance, a 13.9% drop.

These numbers are not as startling when compared to other tracks around the country. All three of the Alabama tracks have shown reductions since 1989. Generally the Arizona tracks have seen a downward spiral since 1986. Southland Greyhound in Arkansas, one of the largest tracks in the country has shown a five-year trend downward. The tracks in Colorado have fluctuated as they juggled dates to some extent, but in general have shown a downward spiral. For the last three years Plainfield, Connecticut has been on the decline. Since 1986 virtually every track in Florida has shown an annual decrease. Our neighbor to the north, Iowa turned in some impressive numbers after their tracks opened, but for the last three years has seen the numbers tumble. Bluffs Run in its initial year of operation averaged just a shade under \$300,000 a performance. The 1990 numbers for that facility were only \$185,000 a performance. Although I have not seen the final 1991 numbers I expect they will be in the \$150,000 range. The only success story would seem to be Multnomah Kennel Club in Oregon. It has shown modest 3 to 7% gains for several years, but that growth has slowed, and the track seems to be on a plateau at just slightly over \$500,000 per performance.



Wisconsin, also a newcomer to the parimutuel industry, showed some outstanding numbers in its initial year of operation. Geneva Lakes averaged over \$281,000 its first year but only \$185,000 a performance its second year. Fox Valley went from \$127,000 per performance its first year to approximately \$94,000 its second year. Wisconsin Dells averaged slightly over \$139,000 its first year but only \$108,000 its second year.

Also, for the first time in most people's memories, two greyhound tracks closed in 1991. Black Hills Greyhound in South Dakota, and Key West Greyhound in Florida closed their doors. Black Hills Greyhound first opened in 1949, and Key West in 1953. Both did so because of significant financial problems.

If I have sounded the bell of doom and gloom for greyhound racing, it may surprise you to find out that the state of the greyhound industry is much better than the horse industry. One only needs to look to the north a little bit to see that Prairie Meadows, after three unsuccessful years does not plan to run next year. The future of Canterbury Downs is clouded as well, and that track has already been through one bankruptcy. Birmingham, Alabama is going through its second bankruptcy and Remington Park, a star for the horse racing industry reduced purses this past fall by over 50% because of a reduction of parimutuel handle. Tracks in Seattle, Tucson, Denver, Boston, Miami, and Louisville have closed or are near closing because of

competition for the gaming dollar and difficult financial situations.

Our own track in Kansas City has also seen difficult times after two horse racing seasons. The other horse track in the state, Eureka Downs, is closed and had its license revoked after filing for bankruptcy. The ideas and agreements made and deals struck in 1986 and 1987 need to be reevaluated and considered by the legislature. Can we still expect the racetracks in this state, who through no fault of their own, were victimized by the rush to get into the gaming business.

State government needs to view the development of the parimutuel racing industry as a economic development project. Few employers employ as many people as the Woodlands or Wichita Greyhound. The Woodlands employs over 1,200 full and part-time employees with an annual payroll of 8 1/2 million dollars. Wichita Greyhound's annual payroll is approximately 4.1 million dollars and they employ over 390 full and part-time employees. Those salary dollars turn over several times in the respective communities, and contribute to the wide spread economic development of the greyhound breeding and racing industry in the state of Kansas. in the past two years Wichita Greyhound has awarded over 1.4 million dollars to over 185 nonprofit charitable organizations. The Woodlands has donated approximately 1.3 million dollars to 79 nonprofit organizations in the state of Kansas. Nearly \$500,000 has been contributed to

Kansas State University for research into the injuries and illnesses of racing greyhounds. The success of the Kansas Bred Greyhound Program and the Kansas Horse Breeders Program depend on a healthy parimutuel racing industry. Finally, money has been generated for greyhound tourism, and the support of the Greyhound Hall of Fame in Abilene. Many of these items literally hang in the balance with the health of the parimutuel racing industry.

Neither of the racetracks in Kansas is in such a positive business position that they can afford to have an additional 1/18th of every dollar taken off their bottom line and contributed to the state.

The dollars that we are talking about are not dollars which the state has collected at this time. These dollars we are discussing are future potential revenue to the state of Kansas. The changes recommended in this bill will not effect the formula used to calculate revenues today. The first impact to the state of Kansas would be in the fiscal 94 year. The tracks are not requesting, nor would the commission appear before you if they were requesting relief from the current level of taxation.

Kansas currently has a reasonably favorable tax climate with regard to parimutuel racing, and it is only the escalation which the tracks are asking you to consider eliminating. Because of the amount of debt to service, and the status of the

industry, the racing commission feels that the request before you is reasonable and worthy of serious consideration by the Kansas Legislature. Kansas needs to view the parimutuel racing industry as an industry, and not merely a source of revenue.

Several states have analyzed their racing industry in this manner, and although it may not always be greyhound racing that they are considering, states have been pro-active in reducing the states share of the takeout to sustain this very labor intensive industry. Less than a year ago, the state of Texas reduced their takeout for horse racing in order to encourage development of the three major markets, Dallas, Houston, and San Antonio. At the same time they also reduced their greyhound takeout. Our neighbor to the north, Nebraska, a horse state, has completely eliminated its state tax from its horse tracks, in recognition of the fact that it is a significant labor intensive industry. The state from which I came, South Dakota, has earmarked the tax monies that they collect from the parimutuel racetracks for purse supplements. The entire administrative component of the South Dakota Gaming and Racing Commission is subsidized by gaming in Deadwood. The state general fund and special funds receive no money from parimutuel racing. Other states have set up an escalating procedure for collecting tax revenues based on what the tracks handle rather than an escalation clause based on a time of operation. In Wisconsin for instance the tracks pay a certain percentage on

the first \$100 million dollars annually, a larger percentage on the next \$50 million handle, and so forth.

States also handle the distribution of breakage, and unclaimed tickets differently. In a number of states the unclaimed tickets and breakage are reserved exclusively for the track. In other states it is shared between the state, the track, and sometimes various breed programs. Kansas takes all of the breakage and unclaimed tickets and earmarks them for purses or breed programs. None of those dollars are retained by the licensee. Kansas also charges back the cost for greyhound racing judges and greyhound veterinarians to the track. In most states those fees are absorbed by the racing fund and paid for out of regular revenues received by the state.

Thank you for giving me the opportunity to share with you some of the facts with regard to the parimutuel racing industry not only in this state but in the country. I would be pleased to try to respond to questions or comments from the committee.

Attach. 5

SPEECH

FEDERAL AND STATE COMMITTEE - HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. Chairman, Members of the Committee:

I am Richard J. Boushka, President of Sunflower Racing, Inc., owner of the duel track complex in Kansas City called The Woodlands.

We are appearing before you today to urge you to support SB-516 basically because things have drastically changed since the negotiations, if you could call them that, regarding the various tax structures for greyhound and horse racing some four-five years ago. We are experiencing a totally different economy, and have and will experience additional competition not only from the general entertainment business, but also specifically from other forms of gambling.

It is not a question of track owners being selfish or greedy. We wish to keep the Kansas tracks, both of whom are in the top 12 in the nation, as entertainment centers and attractions to people both local and within our region. For instance last year at The Woodlands, we spent almost \$2,500,000 dollars on marketing and promotion. It is important we be able to continue to do this through the years, if not at this level, at least at a level that is significant in our market place. As everyone else in our State, we are getting hammered with property taxes and other cost increases. Relief from the escalation of tax would allow us to continue to make the capital expenditures necessary to keep our tracks in first class shape and market our product in a manner consistant to what we have done up to this time.

Thank you for allowing me to testify this morning. We back Wichita in their request for your support on SB-516, and I stand now for questions.

Att. 5  
1

# TRAK EAST

Attach. 6  
The Racing Association  
of Kansas East

## TESTIMONY

on Senate Bill 516

Senate Committee on Federal and State Affairs

Mister Chairman, and members of the committee, my name is Jim Yonally, representing TRAK-East, the non-profit organization licensee at the Woodlands Race Track in Kansas City. I am pleased to appear today in support of Senate Bill 516.

Some of you were members of this committee at the time parimutuel racing was approved by the legislature. I'm sure you will recall the discussions regarding the question of how much the taxes should be. It is my recollection that the staggered tax schedule (increasing after some years) was approved in order to give the tracks a period of time to become established before the increases would become effective. Looking back to that time, if we had known what was going to happen to the economy, and to the racing industry throughout the country, it is my belief that you might well have adopted a tax structure much like what is proposed in Senate Bill 516.

We believe that the experience of racing in Kansas, and the current financial situation we have, justifies the adoption of a different tax structure, and we urge your favorable consideration of Senate Bill 516.

Thank you for your time and attention.

Att. 6  
1

February 5, 1992  
Hearing on SB 516  
Senate Federal & State Affairs Committee

Tax break for gambling tracks  
Rev. Richard Taylor, President  
KANSANS FOR LIFE AT ITS BEST

(See page 3, April May June 1983 Kansas Issue, words from parimutuel gambling lobbyist)  
"If parimutuel betting was allowed in Kansas, he said, the state could raise \$30 million dollars for fiscal year 1984. . . I can't think of one other group within these walls that is asking to be taxed."

THAT GROUP IS BEFORE YOU TODAY ASKING NOT TO BE TAXED SO MUCH.

(See page 4, April May June 1984 Kansas Issue)  
Total take-out was to be 16% with 5% for the state. Take-out today is now around 20% with 3% for the state.

(See page 5)  
Gambling promoters are like liquor promoters who in 1948 ran advertisements in newspapers you can see across the street, saying legal liquor stores would provide "more money for old age pensions, pay raises for teachers, better roads for farmers, assistance to veterans." Voters in 1948 believed the big lie and approved liquor stores for Kansas.

Voters in 1986 believed the big lie concerning all the benefits of race track gambling and approved the parimutuel amendment. When legislation for gambling tracks was written, those who would get rich from what bettors lose at the track agreed to this graduated tax increase over the years. This helped them look honest to people who expected race track taxes to lower other taxes.

Now they want to back out of that agreement. Tracks are in trouble and the state is to bail them out. Parimutuel gambling was promoted because it would help the state. Now the state is to help gambling track operators. Gambling is a criminal activity. Not keeping your word is a criminal activity.

Parimutuel promoters had accepted 5% for the state in previous constitutional amendments. In 1986 they were successful in changing this to 3% to 6%. Now they want it to be 3% and no more.

To encourage horse racing, dual tracks were given a tax break.

If take-out is 18%, the state was to receive		dogs	dogs & horses
	3%	1st 4 yrs	1st 7 yrs
	4%	5th yr	8th & 9th yr
	5%	6th on	10th on

economic

It would be an economic blessing if gambling tracks went out of business. During calendar year 1990, the Racing Commission said parimutuel brought \$9.37 million. With a Commission budget of \$2 million, the state net gain was \$7.37 million. If take-out is 20%, bettors at the track lost \$62.47 million. Get rid of the tracks, collect one penny on a thirty dollar purchase, receive an equal amount of revenue, and leave 55 million consumer dollars in the public pocket not lost at the track!

Please vote NO on SB 516. Does the legislature exist to serve rich gambling lobbyists and their clients?



# THE KANSAS ISSUE

Vol. 32

April May June 1983

No. 2

Fort Scott, Kan., Tribune — Thursday, February 10, 1983 — 5

REV. TAYLOR IS INVITED TO SPEAK IN ELEMENTARY AND HIGH SCHOOLS AND COLLEGES ALL ACROSS KANSAS. PASTORS HAVE HIM IN THEIR CHURCHES ON SUNDAY AND IN THEIR SCHOOLS ON MONDAY AND TUESDAY. DETAILED INFORMATION SENT ON REQUEST.

## Visit changes student's impression of Kansas' top anti-drink crusader

TOPEKA, Kan. (AP) — Until Wednesday, Drew Blossom had pictured the Rev. Richard Taylor as a liquor-hating fire and brimstone Methodist preacher.

But Blossom had another impression after he and a group of eight other students from Topeka's Hayden High School met and talked with the famous anti-liquor lobbyist in a hallway of the Kansas Capitol.

"What I saw today was a lot better than the image I had before," said Blossom, a high school senior. "You don't agree with everything he says but he has a point."

For about 30 minutes Wednesday, Taylor, who is leader of Kansans

for Life At its Best, discussed his position on everything from alcoholism to proposed changes in the state's liquor laws with the students.

Six of the students, who will be studying the Legislature for three days this week as part of project "Closeup," were not persuaded by Taylor's arguments to raise the Kansas drinking age to 21.

Three said they came away in favor of moving the drinking age to 21.

One student, Allen Henderson, said teen-agers like the current drinking age only because they are "programmed" to want beer at 18.

But Kelle Cassidy contended that bars provide a needed social activity for 18-year-olds.

"There's nothing to do in Topeka unless you're 18," Miss Cassidy said. "If you have to wait until you're 21, what are you going to do?"

The students agreed that it was good to hear the other side of the liquor issue and said they respected what Taylor tries to do for the state.

"But I think he needs to spend more time with high school students explaining his reasons for changing the liquor laws than spending time here," Blossom said.

Topeka Capital-Journal, Thursday, February 10, 1983 3



—Staff/Bern Ketchum

High school students visiting the House Assessment and Taxation Committee were given an extra political science lesson after one of them challenged some remarks by the Rev. Richard Taylor, who spoke in favor of a bill to raise the enforcement tax on liquor. Pictured, from left, were Bert Falley, Allen Henderson and Christopher Davis, all of Hayden High School; Ronald Ryck-

man, teacher-coordinator of the program. Meade; Matthew Reeb, Hayden; Taylor; and Drew Blossom, Hayden. The group was participating in CloseUp-Kansas, in which groups of high school students visit the Legislature. CloseUp-Kansas is a joint project of the Kansas State Department of Education, the Kansas Bar Association and the CloseUp Foundation of Arlington, Va.

Handwritten initials and numbers: "H.H. 7" and "2".

# Taylor Says Life's Choices Are Important

Culminating five speaking appearances here since Saturday night, Rev. Richard Taylor of Kansans For Life At Best told youth and adults this morning that life is a matter of choice.

In his remarks before a breakfast meeting of the Augusta Fellowship of Christian Athletes (FCA), Rev. Taylor said development of character is the most important choice for young people to make.

He said FCA youths need to be leaders and set examples that others can safely follow.

The former pastor of University Methodist Church in Wichita, said his reason for being in Augusta this past weekend was because of drug problems which are being faced by all of society.

His first speaking appearance here was during a lightly attended Parents Who Care meeting Saturday night in the high school auditorium. Rev. Taylor spoke to Baptist and Methodist congregations yesterday.

"We are in a drugged society," he said today, "but no one must use drugs."

He singled out alcohol as the drug which has caused the most heartache for youngsters and adults before launching a special attack on the consumption of beer.

"The most serious problem among teens today is alcohol. I wish it were harmless, but the largest cause of death for teenagers is traffic accidents where an alcohol-impaired driver was involved," he said.

"Alcohol wipes out feelings of insecurity, inferiority and frustration, but it's a poison that stunts emotional maturity," Rev. Taylor while urging the FCA'ers to wait until they are 18 or 21 years of age to drink beer.

Rev. Taylor encouraged the youths to make decisions and choices which will build their character.

Armand Hillier, vice principal of Augusta High School and sponsor of the Augusta FCA huddle group, introduced Rev. Taylor and also reported on an all-Kansas FCA banquet Saturday night at Century II in Wichita.

Hillier reminded those attending this morning's breakfast that he also has signup sheets in his high school office for FCA summer conferences.

Around 35 youths and adults attended today's FCA breakfast at Lehr's Restaurant.

October  
17-20, 1982

Sunday & Monday are all in Larned, Kansas

### Sunday

- 8:30 a.m. Breakfast with adult class
- 9:30 a.m. Speaking to all adults at Sunday School
- 10:45 a.m. Sermon at First United Methodist Church worship
- 5:00 p.m. Speaking to United Methodist youth
- 6:00 p.m. Sermon at Church of the Nazarene evening worship

### Monday

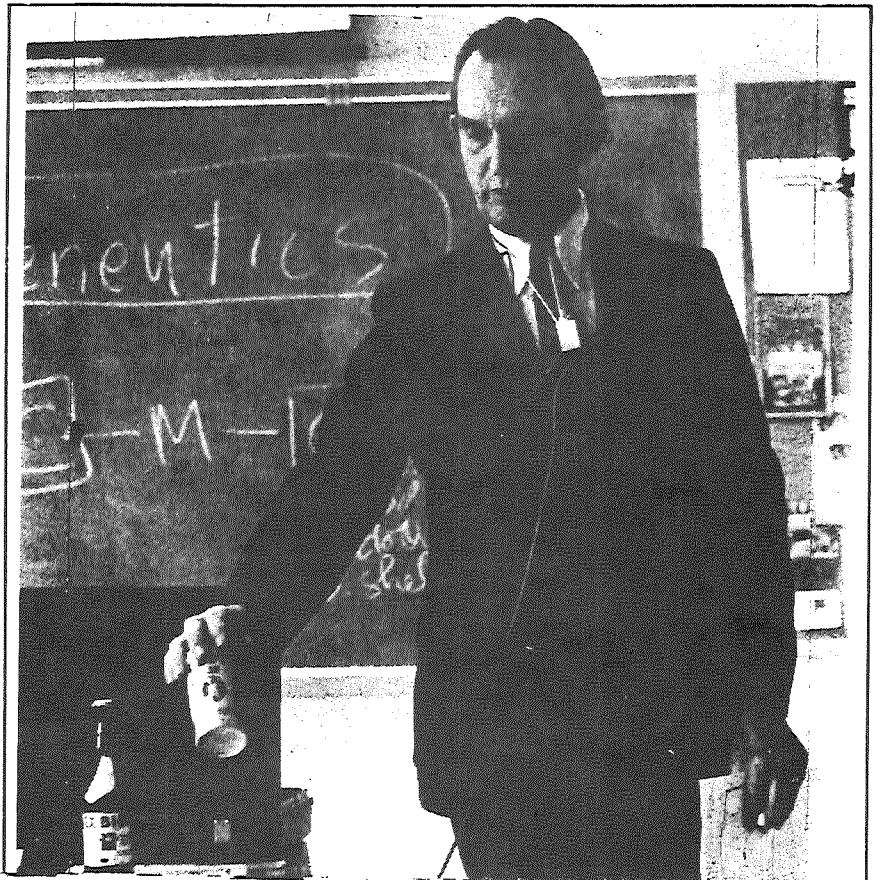
- 8:30 a.m. Larned High School Assembly speaker
- 9:30 a.m. Speaking to P.E. Class
- 1:30 a.m. Speaking to another P.E. Class
- 1:30 p.m. Speaking to Government Class
- 2:30 p.m. Speaking to another Government Class
- 4:00 p.m. Junior High Assembly speaker
- 8:00 p.m. Speaking to Lions Club

### Tuesday

- 9:30 a.m. Speaking to all 7th and 8th graders in Burdett
- 1:30 p.m. Speaking to high school students at Rozel
- 7:00 p.m. Speaking at Larned Rotary Club
- 8:00 p.m. Speaking to United Methodist Men at Burdett

### Wednesday

- 6:00 a.m. Breakfast meeting with Bible Study group
- 8:00 a.m. Interview with local newspaper.
- 10:00 a.m. Interview with other local newspaper
- 12:00 noon Luncheon in Great Bend with Judge Herb Rohleder.



Bonnie Grosser—KANSAN

The Rev. Richard Taylor, president of Kansans for Life At Its Best!, spoke to the Social Dimensions of Drinking and Alcoholism class yesterday about the dangers of alcohol consumption.

2.

Att. 7

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# Pari-mutuel betting opposed

State lawmakers Wednesday heard a discussion on social issues of concern to the Kansas religious community — pari-mutuel betting on horse racing and the raising of the legal age for drinking.

Billed as the "Bishop's Breakfast for Lawmakers," United Methodist Bishop Ben Oliphant headed a slate of state clergy and laity who talked to about 85 legislators at First Methodist Church, 6th and Harrison.

Describing the legislators' job as "one of the toughest in these times," Oliphant urged the lawmakers to reject the passage of an amendment to the state constitution that would legalize pari-mutuel betting on horse racing, despite the state's pressing need for increased revenues.

The bishop read parts of the state constitution pertaining to a change in the constitution, which is enacted with a legislative vote to submit the bill for popular vote.

"If you vote for it (a change in the state constitution to allow gambling) and send the amendment out for a vote, that means you are for it. There's no way around it," he said.

Also speaking against pari-mutuel betting was Salina veterinarian Charles Olson, who cited the increased societal costs that legal gambling would attract in forms of narcotics,

prostitution and other crimes. Comparing the associated crime costs with those of gambling alone, Olson said gambling losses would far outweigh the monetary costs of controlling other forms of crime.

Don Hammerli, president of the Consortium for Cooperating Churches in Kansas, a consortium of 10 church bodies and eight separate denominations in Kansas, called for the legislators to "seek out the truth" without resorting to the passage of a legal gambling measure.

While acknowledging the need for more state revenue to aid the growing number of impoverished people in Kansas, Hammerli said "So often we are asked how much money will come in if

we legalize sin, or whatever you want to call it. But I don't think betting on the horses will take care of the poor."

The possibility of raising the legal drinking age was touched on by the Rev. Gene Hawkins, pastor of First Southern Baptist Church, 1912 Gage. Hawkins said 16 of 21 states which initially lowered the legal age have now raised it, a move supported by such bodies as the President's Commission on Drunk Driving, the National Transportation Safety Board, the National Safety Council, the National Council on Alcoholism, and numerous insurance companies.

"I think we're in pretty good company," the pastor told the assembled legislators.

# Pari-mutuel gambling discussed

Colby Free Press, March 2, 1983

TOPEKA, Kan. (AP) — Some people told a Senate committee Tuesday that it is time for the legislature to let the voters decide on the pari-mutuel gambling issue, but others said the proposed constitutional amendment was just another swindle.

Listeners spilled out of the packed room where members of the Senate Federal and State Affairs Committee heard testimony on a controversial resolution to put the legal gambling issue to Kansas voters. The committee took no action Tuesday on the measure. "Crime flourishes when people do nothing," said Jim Yonally, Kansans for Pari-Mutuel and lobbyist for the National Federation of Independent

Business. "I don't believe that the good people of this state will do nothing."

If pari-mutuel betting was allowed in Kansas, he said, the state could raise about \$30 million dollars for fiscal year 1984. However, even if the Legislature sends it to the voters this session and the amendment is approved, the state would see no money until 1986.

Yonally, a former House member from Johnson County, said, "I can't think of one other group within these walls that is asking to be taxed."

But Rev. Richard E. Taylor Jr., president of Kansans for Life at It's Best, the state's temperance organization, told the committee the pari-mutuel issue was not an issue of

whether to allow Kansans to speak on the issue, but whether to allow gambling in the state.

"If we want to legalize a swindle in Kansas, this is the way to do it," Taylor said. "We don't need a resolution to do that."

"I wish that pari-mutuel spelled tax relief, but it doesn't spell tax relief," he said. Pari-mutuel betting would actually only bring in about \$9 million to the state if it was passed, he said.

Many supporters of pari-mutuel said it would help bring badly-needed revenue to the state without putting too difficult a burden on the poor. But Taylor said those running the race tracks are not interested in the welfare of the state.

"The issue is not jobs, the issue is \$30 million per year into their own pockets according to their own literature," Taylor said. "The majority of the millions will be from Kansans."

And the poor will be the ones to lose money, Taylor said. Low-income families are more likely to spend a greater portion of their income on gambling, he said.

Yonally said the proposal was based on the Oklahoma pari-mutuel system which allows each county to decide whether to allow the gambling. Oklahoma passed a law allowing pari-mutuel betting last summer.

All forms of gambling except bingo are prohibited by the Kansas Constitution. The pari-mutuel issue has never been submitted to Kansas voters although the issue has been debated by the Legislature for years.

Yonally showed the committee a stack of petitions for the resolution which he said contained 10,000 signatures. He said he received more than 500 letters each day from supporters of pari-mutuel.

Sen. Jack Steineger, D-Kansas City and a sponsor of the resolution, told the committee Kansans want the chance to vote on the issue. "The fundamental question is whether we trust the voters of this state enough to allow them to make their decision about the kind of Kansas they want," he said.

But Ben Fletcher, a retired member of the Federal Bureau of Investigation, told the committee horse racing is not sole issue, but whether it would spawn crime. He said he had worked with a Florida dog-racing track to help prevent crime but the FBI would no longer put much effort into helping track-owners avoid it.

People at the horse races also were usually losers because they made bets on the jockey's colors, the look or name of the horse, he said, adding, "All dumb bets. All losing bets."

## Foes say

Hays Daily News, March 2, 83  
TOPEKA (UPI) — Opponents of pari-mutuel horse racing appealed Tuesday to the consciences of lawmakers, testifying that legislators — not the voters of Kansas — must decide whether pari-mutuel is right.

Spectators jammed the hearing room and the corridor outside as the Senate Federal and State Affairs Committee discussed the emotion-packed issue for an hour. Sen. Edward Reilly Jr., R-Leavenworth, said his panel would vote on the issue Thursday.

The Rev. Richard Taylor Jr. of Kansans for Life at Its Best told the committee pari-mutuel would "dehumanize and demoralize" Kansans because it would allow some of them to profit from the losses of others.

Taylor played on the consciences of legislators, telling them a vote in favor of pari-mutuel was more than a simple decision to allow the people to decide the issue themselves, it was a decision approving the concept of pari-mutuel horseracing.

Bishop Ben Oliphant of the United Methodist Churches of Kansas agreed, saying, "We hold you accountable for that approval."

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A+T. 7  
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# Rev. Taylor Vows to Fight Liquor, Betting Bills

TOPEKA, Kan. (AP) — Stung by Thursday's action of the Senate Federal and State Affairs Committee in endorsing constitutional amendments to permit pari-mutuel wagering and sale of liquor by the drink, the state's leading temperance spokesman vowed all-out war to beat both issues on the Senate floor.

The Rev. Richard E. Taylor Jr., president of Kansans for Life at Its Best, accused Sen. Edward F. Reilly Jr., R-Leavenworth, the committee chairman, of "trying to deceive and mislead" members of the panel by telling them "the issue was the right of the people to vote on pari-mutuel gambling."

Reilly pressed his committee to vote on the two resolutions, and broke a 5-5 tie to send pari-mutuel to the full Senate. The vote on liquor-by-the-drink was 6-4.

Despite winning committee endorsement, the two propositions have a

long way to go before they are on the November 1984 election ballot, as proponents want. Both houses of the Legislature must give them two-thirds approval, and few observers believe they can get that.

Besides castigating Reilly, Taylor lashed out at two major lobbying groups — the Kansas Association of Commerce and Industry and the Kansas Farm Bureau — for supporting public votes on pari-mutuel wagering on horse races.

"It is regrettable that such groups want lawmakers to disobey their constitutional responsibilities," Taylor said.

Reilly declined to predict the fate of the two issues when the Senate debates them, probably not until near the end of the 1983 session, but said he felt compelled to present the two resolutions submitting the issues to votes of the people next year so the full Senate will decide them.

Both resolutions require two-thirds votes in both the Senate and House before they would go on the ballot.

Taylor has said repeatedly he believes there are sufficient no votes in both bodies to block both proposed amendments. It takes only 14 of the 40 senators to deny the two-thirds endorsement, and 42 of the 125 House members.

"The Kansas Constitution states that propositions for amendment may be made by concurrent resolution, and if the resolution which is the proposition for amendment is approved by the Legislature, such proposition for amendment shall be submitted to the electors for their approval or rejection," Taylor said.

"Lawmakers do not vote to submit, they vote to approve the proposition to amend. Any lawmaker who says a yes vote is simply submitting it to a vote of the people

is saying legislators are not intelligent enough to vote on the issue, so they should rubber stamp it for the people to decide. Persons signing petitions calling for the 'right' of the people to vote want to deny lawmakers their right to vote on merits of the issue.

"How disgusting it is to see lobbyists promoting race track gambling with deceptive and misleading statements standing around the statehouse gloating over their committee victory."

However, Reilly told the committee: "I think we should put the issue where it belongs squarely on the shoulders of the voters. This is not a complex issue that the people don't understand. It is a simple issue.

"It would only be legislative conceit to stop the people from their inalienable right to vote on this issue."

Kansans have never had the chance to

vote on the pari-mutuel issue, although the Legislature has debated the issue for years.

The liquor-by-the-drink issue was put to voters only once, in 1970, and it failed by an 11,000-vote margin with more than 680,000 votes cast.

After extensive debate Thursday, Reilly would not allow members of the committee to leave the meeting until the issues were decided. He said it was the responsibility of the Legislature to let Kansas citizens decide.

But Sen. James Francisco, D-Mulvane, protested, saying he thought there was already too much unregulated gambling in the state.

"We've got gambling in Kansas that we've not regulated," Francisco said. "If we open the door to one more and wait

another seven years to get regulation for pari-mutuel, it scares the hell out of me."

But Reilly, who has called gambling bingo in Kansas "virtually out of control," argued pari-mutuel betting would only get out of control if the Legislature allowed it.

"It will be up to the wisdom of the Legislature to make sure what you just said doesn't happen," Reilly said.

The vote for liquor-by-the-drink was also close, with Sens. Richard Gannon, D-Goodland, Ben Vidriksen, R-Salina, Norma Daniels, D-Valley Center and Francisco voting against sending the proposal to the Senate.

The resolution would allow voters in each county to decide whether to allow liquor-by-the-drink. It would not allow statewide liquor-by-the-drink unless every county decides to permit it.

4

D-2 The Kansas City Times Thursday, March 31, 1983

## Thursday's Capitol report

### From the Kansas Legislature

# Senate washes its hands of gambling, drinking amendments

The Associated Press

TOPEKA — Proposed constitutional amendments for pari-mutuel betting and liquor by the drink were defeated Wednesday by the Senate.

Both proposals would have allowed Kansans to vote on whether to add the amendments to the state constitution. The plan for liquor by the drink died quickly when it was stricken from the Senate calendar after only 13 senators supported it and 19 opposed it on an unrecorded standing vote.

The vote on pari-mutuel wagering on horse or dog racing had 19 yes votes and 18 no votes, but passage required 27 votes — a two-thirds majority of the 40-member Senate. The vote came just an hour after the resolution

had received tentative approval by 22 members of the Senate.

It was the second straight year the Senate has rejected a pari-mutuel betting resolution. In the 1982 session, only 18 senators supported a similar measure. Nonetheless, pro-gambling forces said they would try next week to get consideration for a state lottery.

On Wednesday all of Wyandotte and Johnson counties' senators voted for the betting resolution except for Sen. Jan Meyers of Overland Park, who passed.

The betting and liquor resolutions were killed by Sen. Edward Reilly Jr., a Leavenworth Republican, as a matter of the "majority overwhelmed by the minority."

Mr. Reilly said the gambling question was not a decision for the Senate to make. Instead, he said, the people of Kansas should have the right to vote, and the issue belongs "in the voters' arena."

"The right to vote is what a democracy is all about," Mr. Reilly said. "May I submit that it is only right to give all Kansans the right to express themselves on these two proposals."

"Take it from the legislative, religious and political arena and place it squarely where it belongs . . . in the voters' arena, for only they have the right to pass judgment on their constitution," he said.

Sen. Tom Rehorn, a Kansas City, Kan., Democrat, also urged passage

of the bill, saying lawmakers were "looking down their noses" by thinking that the public is not smart enough to make the correct decision on the issues.

"If the people of the state could listen to this debate and they could vote on this bill, how do you think they would vote?" Mr. Rehorn asked his colleagues. "Every one of you knows how they would vote. And how can we, as reasonable representatives of this state, do otherwise?"

Mr. Reilly and Mr. Rehorn criticized the thinking that a vote for the resolution was a vote in favor of gambling. He emphasized that it was simply a question of whether to submit the resolution to the public.

"The people of the state of Kansas do not need a big mama or papa in Topeka," Mr. Rehorn said. "They want and need responsible representation."

The Rev. Richard Taylor Jr., the leader of the state's anti-liquor and anti-gambling forces, said the gambling resolution was based on a "big lie," which the Senate recognized.

"The big lie about jobs, taxes and tourism that gambling supposedly would create failed," Mr. Taylor said. "It failed because it is a big lie. The only winners with pari-mutuel gambling tracks are the track operators and the owners of the winning horses. Everyone else loses big, and the Senate said that today."

Despite the setback, Mr. Reilly announced plans to hold hearings early next week in his Federal and State Affairs Committee on a proposal sponsored by Sen. Bill Morris, a Wichita Republican, to create a state lottery.

As with the resolutions killed Wednesday, the lottery proposal would require a constitutional amendment approved by the voters. It would also need two-thirds approval of both houses of the Legislature to get on the ballot.

"We certainly will take it up," Mr. Reilly said. "I think we have an obligation to submit anything we can that will stimulate the economy, create jobs and revenues for the state."

17-4.7  
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—Staff/Bern Ketchum

Jim Nimmo, a high school junior from Neosho, Mo., testified Monday during a packed committee hearing on bills that would raise Kansas' beer-drinking age. Nimmo testified that Missouri high school students regularly make a "Kansas run" to buy 3.2 beer because Missouri law requires a person to be 21 before he or she can buy beer or liquor. Two bills were being considered by the committee, which met in the old Supreme Court chamber.

# Interest groups clash over bills on beer-drinking age

By ROGER MYERS  
Capital-Journal Statehouse writer

Supporters and opponents of raising the legal age for drinking beer in Kansas clashed Monday before a House committee that is considering rival proposals on the controversial issue.

Supporters of raising the legal for drinking beer from 18 to 21 told the House Federal and State Affairs Committee that raising the age would save lives and reduce the suffering caused by alcohol-connected accidents involving teen-age drivers.

Opponents of the proposed change countered it discriminates against a segment of the Kansas population and is unlikely to keep beer out of the hands of teenagers.

Spokesmen representing both sides of the issue appeared before the panel in a hearing room packed with more than 200 people.

The committee has two proposals under consideration which would raise the minimum age for buying and consuming beer in Kansas.

One would simply raise the legal age for buying and consuming cereal malt beverages from 18 to 21.

The other bill is a complicated measure designed to weaken support for the proposed increase to 21. The rival bill would only raise the age for buying beer from 18 to 19 but it would also make a substantial change in Kansas beer laws.

The counter proposal would eliminate 3.2 percent beer in Kansas, and allow only so-called "strong beer" that is 4.5 percent or more in alcoholic content. The bill also would allow the sale of beer on Sunday in grocery stores and convenience stores. Liquor stores and taverns, however, would remain closed on Sunday.

The Rev. Richard Taylor, head of the anti-liquor Kansans for Life At Its Best, led off the hearing by telling the committee that liquor is associated with crime, violence, accidents and child abuse.

He challenged the committee to take action on the bills with a roll call vote "so the people of Kansas will know who is concerned about al-

cohol."

Taylor said it was only coincidence that the room was filled with women from the Women of the Kansas East Conference of the United Methodist Church. They filled about one-half of the seats in the old Supreme Court chamber on the third floor of the Statehouse.

Rep. Neal Whitaker, R-Wichita, chairman of the committee, reminded Taylor that House rules specifically prohibit roll call votes in committee. But he noted that individual members of any House panel may ask to have their vote recorded on a bill.

Taylor urged the committee to disregard arguments that raising the legal age for buying beer will put young people out of work and deal an economic blow to segments of the Kansas economy.

"You have no obligation to protect the pocket-books of beer dealers," Taylor said.

William N. Plymat of Des Moines, Iowa, a member of the President's Commission on Drunk Driving, said that group had concluded it was best for the welfare of teenagers and the

country to raise the legal age for buying and drinking beer to at least 21.

He cited statistics from a 1982 report of the National Safety Council which said when the legal age in Michigan was lowered to 18, alcohol-related crashes increased by 35 percent.

He said when the law in Michigan was raised to 21 years of age to buy beer, alcohol-related crashes dropped by 31 percent.

"Beer is the beverage of choice among youth," Plymat told the House committee. "It is clearly the alcohol problem of the group."

"If you do (raise the age) I predict there will be a sizeable reduction in alcohol-related crashes involving death and injury among those 21 years of age and younger."

Mark Tallman, executive director of ASK, said, "When you consider the vast changes this legislation would mandate in our legal rights, in our lifestyles, and on our campuses, we cannot be silent."

"Nor can we ignore the alarming problems of alcohol abuse which have promoted this legislation, problems which we readily admit and seek

to correct as sincerely as any group in this state.

"It is, after all, our lives and health at stake. "There are really two issues at stake here: the health and safety of Kansas youth, and the rights, responsibilities and lifestyles of young Kansas citizens.

"The youth of this state look at this legislation and ask: Is the price of health and safety prohibition?"

"We do believe that a higher drinking age would deny citizens of Kansas, considered legal adults in almost every other way, a right, or privilege, that older Kansans will not deny themselves.

"After all, if lives can be saved by raising the age to 21, surely even more could be saved by raising the age for both beer and liquor to 25, or 30, 40 or 50."

Another student spokesman, Scott Swenson of Kansas University, said, "We do not advocate or encourage the consumption of alcohol. By the same token we strongly oppose the prohibition of it."

Handwritten notes in the left margin: "6" and "H.H. 7".

Why is that man smiling and that woman frowning? Myrna Preisner told the committee that the public sale of liquor by the drink was needed to bring conventions and tourists to Kansas. Later when this picture was snapped, Lester Holloway was telling the Committee that alcohol is a major drug problem and concerned Kansans are proud of our state that promotes less consumption and suffering. Karl Gaston of Ellsworth was telling the committee that if tourists and conventions would not come to Kansas unless they could drown in alcohol, we don't want that kind of people anyway. California can keep them! Our Kansas economy enjoys a higher productivity rate because alcohol consumption is low.

6 Topeka Capital-Journal, Thursday, March 3, 1983



—Staff/Bern Ketchum

The Rev. Richard Taylor, left, president of Kansans for Life At Its Best, and Myrna Preisner of the Topeka Convention and Tourism Bureau displayed

differing reactions to testimony of an opponent of a liquor-by-the-drink proposal at hearings before a Senate committee Wednesday.

## Panel hears pros, cons of liquor referendum

By MARTIN HAWVER  
Capital-Journal legislative writer

Christ could not have blessed the wine at the Last Supper if it had been held in Kansas because of a constitutional straight jacket on liquor consumption, Senate Minority Leader Jack Steineger, D-Kansas City, said Wednesday.

Testifying before the Senate Federal and State Affairs Committee in favor of a resolution that would allow a statewide referendum on county-option liquor by the drink, Steineger said Kansas' prohibition against liquor by the drink is outmoded and hypocritical.

He said the last statewide referendum on liquor by the drink, in 1970, when the proposal was defeated by a 1.6 percent margin, was an exercise in democracy that should be repeated.

"It has been 13 years since the last referendum," Steineger said.

He said that the constitutional phrase, "the open saloon shall forever be banned," in Kansas is outmoded, a product of the cowboy history of the state.

He also said that many border-county

residents cross into another state to dine because of Kansas' restrictive liquor laws.

"It is not unusual to pick up a \$100 tab for dinner and drinks for two or three or four persons, and in too many cases, that tab is being paid in another state, where another state government picks up the sales tax on it," he said.

Opposing the resolution, Rev. Richard Taylor, president of Kansans for Life At Its Best, an anti-liquor outfit,

ability of the drug of alcohol," Taylor said. "We would do better amending our laws so that we would pass around a pot joint than alcohol."

A proponent of the resolution, Myrna Preisner, of the Topeka Convention and Tourism Bureau and a statewide tourism promotion bureau, said that Kansas prohibition of open saloons is hurting the state's image.

She cited a letter from a Californian who traveled through Topeka and was turned away from two restaurant-private clubs for lack of a membership, and said that "this is the sort of thing that gives the state a black eye.

"The woman who wrote said she never wants to travel through Kansas again. That is damaging to the state's economy," she said.

Opposing the resolution, Lester Holloway, a Wichita lawyer who said he is an alcoholic who has not drunk liquor for the past 14 years, said the proposal is a step backward for the state.

"And it is a real paradox that last year, the Legislature passed the strongest drunk driver law that we've ever had, and this year, this committee is considering making liquor more available.

"Consumption, alcoholism will only increase with more availability," Holloway said.

"Right now, there aren't enough cops in Wichita to catch all the drivers with .10 percent blood alcohol content, and the increased availability of liquor is only going to increase our drunk driver problems."

Steineger told the committee that he's generally not a fan of President Ronald Reagan, but the president's philosophy that decisions should be made close to home is one that argues in support of the resolution.

"Like the president, I agree that people should have the right to make local decisions, and this resolution, with its provision for county option liquor by the drink, takes the decision making process right to the home counties so that people can decide what is best for their local communities."

The resolution requires a simple majority — 6 of 11 members — to get out of the committee, but as a resolution, it requires a two-thirds vote on the Senate and House floors to be placed on the August or November 1984 election ballot for a state referendum.

### Legislature '83

said that the members of the committee had not only a right, but also a duty to reject the proposal since the Legislature is the first line in defense of the Kansas Constitution.

He also said that representatives of trade organizations such as the Kansas Association of Commerce and Industry and travel groups should advertise widely that Kansas has the second lowest per capita consumption of alcohol.

"There are so many things to be done and seen in Kansas besides the availa-

# Taylor criticizes lottery plan

TOPEKA (AP) — The head of Kansas' leading temperance organization said Friday it makes no sense for the state to consider setting up a lottery to generate new revenue.

"What sense would it make to pay commercial gambling promoters \$20 million to raise \$40 million in taxes?" asked the Rev. Richard E. Taylor Jr., president of Kansans for Life at Its Best.

"Kansas would be in the position of encouraging citizens to be patriotic by gambling away more of their hard-earned dollars in order for the state to receive more revenue."

Taylor sent legislators a packet of material aimed at discouraging support for a proposal by Sen. Bill Morris, a Wichita Republican, that Kansas initiate a state-operated lottery similar to one just started by Colorado.

That state has been selling lottery tickets at the rate of \$1 million a day

since it began its lottery the first of this year, Morris said, and figured Kansas could make \$70 million off it the first year and \$50 million thereafter if it would adopt one.

The Senate is expected to debate Morris' proposal when it returns for a four-day cleanup session Wednesday through next Saturday.

Taylor said Friday that those who drafted Kansas' Constitution banned lotteries "because lotteries in other states caused scandal and fraud, where the poor were the biggest losers, because it destroyed the best in human nature."

"The average distribution for state lotteries nationwide is around 40 percent for prizes, 40 percent for state revenue and 20 percent for operations," Taylor said.

"This would require \$100 million consumer dollars spent on lottery tickets for the state to receive \$40

million in revenue, with another \$20 million going into the pockets of lottery promoters hired by the state to run the operation.

"...Permitting commercial gambling is bad enough, but promoting gambling is not the business of good state government."

Taking issue with the potential revenue claims of a magazine which promotes gambling on behalf of the gaming device industry, Taylor said, "35 percent is hidden taxes for suckers who buy lottery tickets, 15 percent of each lottery ticket dollar goes to improve quality of life for lottery promoters and 50 percent is taken from the pockets of 1,999,999 ticket buyers to pay off one buyer who won a million dollars."

By comparison, Taylor said, an increase of 1/4 of 1 percent in the state's sales tax would raise \$45 million, "and gambling promoters would not be paid \$20 million yearly to collect it."

"Where all men think alike few men think at all."

—Alfred North Whitehead

# Nix to lottery

A resolution to be considered this week by the Kansas Legislature would give Kansans a chance to vote on establishing a state-operated lottery.

If there is anything Kansas does not need, it is a state lottery.

Lotteries exploit the poor in promising wealth only a tiny percentage of the population could ever realize. Gov. Harry Hughes of Maryland called off his state's lottery in January 1982 because it was attracting so many poor. Even the precious few who win lotteries often have difficulty handling their unearned wealth.

According to the California

Council on Alcohol Problems, many modern state lotteries have been financial flops. Ohio, for instance, lost \$1.7 million on its January lottery last year. Lotteries cost an average 20 percent of the gross sales for administration. Forty per cent of the sales usually goes for prizes and the state receives 40 per cent. Eastern states have created a new lottery bureaucracy with a vested interest in continuing the gambling.

Kansans knew what they were about when they forbade lotteries in this state. There is nothing in them for anybody but the promoters.

THE KANSAN, Thursday, April 21, 1983 5A

## Nobody wins

(The truth is, EVERYBODY WINS except the gambling promoters)

# Lottery bill killed

TOPEKA (UPI) — The leading spokesman for the state's anti-gambling, anti-liquor lobby has commended the Senate for rejecting a proposed lottery that would have raised \$70 million for the state treasury.

After heated debate, the upper chamber Wednesday defeated the motion 17-21. Because it would have required a change in the state constitution, the measure needed a two-thirds vote to win approval.

The Rev. Richard Taylor Jr., spokesman for Kansans for Life at Its Best, applauded the Senate for killing the lottery measure.

"It's a credit to the Senate that they said we'd raise legitimate taxes, and we're not going to rip-off people," said Taylor. "Let me pay a little more sales tax, a little more motor fuels tax, a little more income tax. Let them increase my taxes slightly to generate the revenue we need."

Sen. Bill Morris, R-Wichita, chief

sponsor of the bill, said it would have raised \$70 million in its first year of operation and \$50 million each year after that. He said Kansas should consider a revenue measure that is voluntary to line state coffers, rather than raise general taxes.

"More and more states are seriously considering state lotteries every year," he said. "Lotteries give states an opportunity to fund programs with a dependable revenue source that is totally voluntary, and that's certainly a relief for our over-taxed citizens."

Sen. Edward Reilly Jr., R-Leavenworth, agreed and pleaded with legislators to allow Kansas voters to decide the issue.

"It is new revenue from new, untaxed sources at a time when we are considering saddling Kansas industry, Kansas taxpayers, Kansas financial institutions with additional taxes," he said.

Sen. Charlie Angell, R-Plains,

criticized the tax for being anti-business. He said his calculations showed the average Kansas family would have to spend \$200 a year for the state to realize the revenues promised by Morris, who estimated each Kansan would spend \$48 a year buying tickets.

"That means those families are going to have to give up something they now have," Angell said. "They would be taking it out of Kansas' economic stream."

"They may not buy food, they may not have money to pay their utility bills or they may get into their savings account," he said.

Sen. Paul Hess, R-Wichita, urged senators to defeat the "something-for-nothing" measure and act responsibly in the area of taxation.

"If we honestly need additional tax monies, we're going to decide that, we're going to get down to that," he said. "This is just another gambling measure."

## EDITORIALS The Hays Daily News

4 WEDNESDAY • APRIL 6, 1983

# Should the state be a thief?

Bill Morris, a Wichita Republican who serves in the Kansas Senate, wants the state to get into a grand con game.

Let's be more precise. He wants the state to steal money from people.

The con game would be a model of simplicity, mostly because the victims would allow the state to pick their pockets so willingly.

For every dollar the suckers give to the state, the state would refund 50 cents. That's theft in anyone's book, but it's worse than we've described it.

The 50 percent refund would not go to every one of the suckers. Instead, the refund would go to a limited few who would get a lot. Tens of thousands of other would get nothing at all.

So, simple theft would be theft on the grand scale, and what else to call it?

Morris has a nice name for the con. The word is, "lottery." He notes that 17 other states have lotteries. he says these states "earn" millions and millions; every dollar comes in handy at budget time.

Heaven knows the state of Kansas needs money, but a lottery is a crooked way to raise it.

Willing or not, people who play the numbers are bilked in an illusion of great wealth in the pay-off.

Those who wrote the gambling prohibition into the state constitution were not fools; they knew a fraud when they saw it.

It's difficult to understand why our contemporaries would dismiss that old wisdom and exalt theft by make the state a beneficiary.

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Representative Leary Johnson of  
neeny was the prime mover for  
islation creating Kansas Farm  
wineries! France is the most  
alcoholic nation in the world -  
on wine! Representative Johnson  
thinks Kansas should follow the  
lead of France.

Lawmakers were told that wine is  
a "food". Under Kansas law, wine  
is a controlled substance like  
pot and would be controlled under  
that law if it were not specifi-  
cally exempt under our Controlled  
Substance Act. KSA 65-4102 (e)  
reads "Authority to control under  
this section does not extend to  
distilled spirits, wine, malt  
beverages or tobacco."

Rev. Richard Taylor, Editor  
The Kansas Issue  
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Topeka, KS 66601

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Grape juice is a food. Alcohol is  
a poison. Yet a Medical Doctor  
from Halstead, R.G. Rizza, told the  
committee that farm wineries are a  
lot better than growing wheat. He  
says marijuana is a bad drug, but  
claims alcohol is not a drug prob-  
lem. He rejects the fact that al-  
cohol causes more human misery than  
all other drugs combined.

Concerned citizens in the counties  
of Logan, Gove, Trego, Graham,  
western Rooks and northern Ness  
counties may want to look for a  
Representative who does not promote  
increased alcohol consumption and  
alcoholism.

ADDRESS CORRECTION REQUESTED

## Legislature '83

Thursday, February 10, 1983 5D

# Cigarette Tax Increase Opposed

Associated Press

TOPEKA — Opponents of proposed Kansas  
cigarette and liquor tax increases told a House  
committee Wednesday that both proposals would  
result in decreased state revenues because of  
lower sales.

A lobbyist for the American Tobacco Institute  
told the House Assessment and Taxation Commit-  
tee that the cigarette measure, which would  
raise taxes from 11 cents to 13 cents per pack,  
would increase bootleg operations that illegally  
bring cigarettes to Kansas from states with lower  
taxes.

"Bootlegging is a very real problem," said  
Paul Coleman, the tobacco institute spokesman.  
"But we are now at a competitive advantage  
compared with taxes that are levied in neighbor-  
ing states."

The committee heard similar arguments from  
opponents of a measure that would increase the

**Taylor**  
... "Alcohol and  
tobacco are  
recreational drugs."



state liquor enforcement tax from 4 percent to 8  
percent of liquor receipts.

Tom Green, lobbyist for the Kansas Retail  
Liquor Dealers Association, said that liquor  
stores in the state earned an average of only  
\$8,000 per year and that a tax increase would  
reduce profits further.

"What we're dealing with is another tax that  
will likely decrease consumption," Green said.

But the liquor bill's sponsor, Rep. Keith Roe,

R-Mankato, disagreed and said an increase in the  
liquor enforcement tax would be better than  
making liquor subject to the state sales tax.

"Much ado can be made about bootlegging,  
elasticity of demand and effects on small 'ma  
and pop' liquor stores," Roe said. "But there is  
absolutely no connection between those argu-  
ments and this tax."

The Rev. Richard Taylor of Kansans For Life  
at Its Best!, the state's temperance organization,  
said he favored the bill because it would reduce  
consumption, although the public still would lose  
money to alcohol-related problems.

"Alcohol and tobacco are recreational drugs,"  
Taylor said, "and the public is subsidizing those  
who deal in these kinds of drugs."

For every dollar the state collects in taxes, he  
said, the public pays \$4 to cover traffic acci-  
dents, violent crimes, fires and low worker pro-  
ductivity caused by alcohol.



# THE KANSAS ISSUE

Vol. 33

April May June 1984

No. 2

Our family moved from a farm near Dwight where I was born to a farm near Enterprise when I was in the Fourth Grade. She lived in Enterprise and was in the Second Grade. I remember it well because she was a tap dancing bunny rabbit in the Grade School Operetta that year titled "Mrs. Wiggs of the Cabbage Patch."

I was a Junior in High School when she was a Freshman. Every Sunday evening she played the church organ for worship. I attended church just to drive her the long way home in the old Model A Ford my parents bought new in 1929.



Mary Louise

On May 1, 1984, while sitting in the living room she turned to me and said, "Do you know what day this is?" Not really," I responded. Then she informed me, "It was ten years ago today you had cancer surgery in St. Louis."

I have always remembered the year my voice was lost, the flowers sent by Governor and Mrs. Docking, but did not remember the date. But I shall always remember the strength received day by day from my wife in the Barnes Hospital room while holding her hand.

Because I have never been a smoker, the doctor said the lesion on my vocal chord would be benign. The lab test proved it malignant. Cancer on the vocal chord of a non-smoker is very, very rare. Maybe second hand smoke caused it.

How wonderful it would be if omitting one not-needed item from the diet would absolutely prevent and arrest all cancer in all parts of the body. I would gladly choose to omit that item from my diet. Alcoholism is absolutely prevented and arrested when one not-needed item is omitted from the diet.

Why do people use the drug?

*Dick Taylor*

Rev. Dick Taylor

*Att. 7  
10*

## M YOUR MAN IN TOPEKA

Another session of the Kansas Legislature is history. In our last Kansas Issue I said parimutuel and lottery gambling will pass if you do nothing. They did not pass because you did something!

You contacted your Senator and Representative in Topeka. You wrote letters, made phone calls, talked to them at legislative breakfasts and other meetings when they were home on week-ends. You sent petitions printed in the Journal. You talked to others and presented facts. You wrote letters to the editor of your newspaper. You prayed.

Church leaders and local pastors of every community put Christian Love into action. If I love God and love my neighbor as myself, I oppose parimutuel, a swindle that permits the rich to steal from the poor. I work for less alcohol consumption and related suffering. I do what The Master wants me to do.

WE REGRET LAWMAKERS DID NOT HAVE THE COURAGE TO RAISE THE DRINKING AGE TO 21 BUT WE ARE THANKFUL FOR THE FOLLOWING ACTION OF THE 1984 KANSAS LEGISLATURE:

1. Lawmakers refused to approve changes in our Constitution to permit parimutuel, lottery, and liquor by the drink.
2. Lawmakers strengthened restrictions on commercial bingo gambling.
3. Lawmakers passed legislation requiring the driver's licenses background of persons under 21 to be a color different from persons over 21. Alcoholic Beverage Control Director Tom Kennedy requested this law to help his enforcement people reduce liquor store sales to minors.
4. Lawmakers passed legislation that prohibits persons under 18 from purchasing or receiving cigarettes and forbids anyone to sell snuff, chewing tobacco or other smokeless products to those under 18.

Two most important things you can do between now and when the legislature goes into session next January:

FIRST - Inform the public that commercial gambling will not reduce taxes. Lawmakers are influenced by public opinion and many Kansans already believe the big lie that parimutuel and lottery will reduce taxes. Michigan has bingo gambling, race track gambling, lottery gambling, and now headlines proclaim PROPERTY TAX RELIEF OFFERED IN EXCHANGE FOR SLOT MACHINES. Kansas gambling promoters are dealers in the big lie just like their counterparts in Michigan. New Jersey, Connecticut, and other states have learned that every time you legalized another form of gambling, taxpayers pay higher taxes! State and local taxes paid by Kansans as a percent of personal income are among the lowest in the nation. The \$9.2 million parimutuel taxes collected by Nebraska for 1983 could be raised in Kansas with a 1/20th cent sales tax!

SECOND - Vote for lawmakers who will refuse to vote for measures that promote increased alcohol consumption and measures that promote commercial gambling.

I'm human and appreciate compliments given me for our legislative success. I work hard presenting research and facts from across the nation and around the world. But what I get done depends on what you do. If lawmakers want to vote NO on commercial gambling because facts point in that direction, they need lots of letters from you asking for a NO vote so they can tell gambling lobbyists, "Look at all the people in my District who want me to vote NO." If lawmakers want to vote YES, they need lots of letters and requests from you encouraging them to change their mind and vote NO. Both ways, you make the difference. Thank you.

*Dick Taylor*

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Would you put one of these 60 second spots on your radio station? Just omit the ending PAID FOR KANSANS FOR LIFE AT ITS BEST! and add the name of your church or organization or persons or person for it. You could help us by using some of this material in your worship folder or bulletin insert, in your newsletter, and in a letter to the editor of your newspaper. People need the truth!

"The revenue raised could provide more money for old age pensions, pay raises for teachers, better roads for farmers, assistance to veterans, or any other worthy public project." (pause) Sound familiar? No, that was not an ad for parimutuel gambling. That was an ad promoting legalization of our most abused drug back in 1948. Did legal liquor bring tax relief? No. Alcohol pushers and gambling promoters deal in the big lie. Parimutuel taxes in Nebraska totaled \$9.2 million for 1983. A 1/20th cent sales tax in Kansas will produce more than that. KBI Director Kelly and Attorney General Stephan tell us pari-mutuel will bring an increase in illegal gambling and other crime. Dishonest lawmakers claim they are voting to allow people to vote on it. Lawmakers loyal to our Constitution and concerned for consumer protection refuse to approve the public swindle called pari-mutuel. Get the facts in a free booklet. Write ECONOMICS, Box 888, TOPEKA, 66601 Paid for by KANSANS FOR LIFE AT ITS BEST!

The KANSAS FEDERATION OF HUMANE SOCIETIES asked lawmakers to vote NO on parimutuel because of hidden cruelty to animals. They said humaneness is not an appropriate issue for a public vote because those who can spend the most usually prevail in a referendum. People who love horses hate parimutuel because horses are drugged and abused by owners who love money more than horses. People concerned for the poor hate parimutuel because those who can least afford to lose always lose the most. Merchants on main street hate parimutuel because consumer dollars lost by local people cause retail sales to drop and bad debts to climb. Leaders in industry hate parimutuel because of increased job absenteeism and lower worker productivity. Get the facts in a free booklet. Write ECONOMICS, Box 888, Topeka, 66601 Paid for by KANSANS FOR LIFE AT ITS BEST!

The Wall Street Journal said there would seem to be an inconsistency in demands for consumer protection, coupled with demands for legalized gambling which is technically a swindle. A swindle is theft by deception. When Thomas Kelly, Director of the Kansas Bureau of Investigation, opposed parimutuel, his report said commercial gambling is an activity which is criminal in nature. Parimutuel promoters claim 11% of all money bet will go into pockets of track operators and horse owners, making this a legal skimming operation. They claim 5% will go to the state. For each \$1 received by the state, over \$2 will go to parimutuel promoters. When they tell you how much the state would receive in taxes, remember double that amount goes into their pockets. Lawmakers who want parimutuel vote YES. Lawmakers opposed to the public swindle called parimutuel vote NO. For a free booklet with the facts write ECONOMICS, Box 888, Topeka, 66601. Paid for by KANSANS FOR LIFE AT ITS BEST!

Race track gambling promoters claim "let us vote" or "allow us to vote" is the issue. Legislative approval of a legal skimming operation called parimutuel is the issue. According to the Kansas Constitution, if the Legislature approves a proposition to amend, such proposition to amend shall be submitted to the electors for their approval or rejection. Concerning constitutional amendments, Governor Carlin told Downtown Topeka Rotary "it requires a two-thirds vote of the Legislature to win approval of something that is truly good for Kansas." The Kansas Supreme Court, Volume 207, said the legislature may "initiate any change" in the Constitution and in voting for a proposition to amend, is sending to the people "a request for a change." Parimutuel promoters want lawmakers to be rubber stamps without intelligence who simply vote YES and do not consider the merits of commercial gambling. Legislators concerned for horses and people vote NO. Get the facts in a free booklet. Write ECONOMICS, Box 888, Topeka, 66601. Paid for by KANSANS FOR LIFE AT ITS BEST!

Kansas legislators save citizens for freedom from commercial gambling over one million dollars. According to the Constitution, if the legislature approves parimutuel wagering, it shall be submitted to the people for their approval or rejection. Legislative approval of race track gambling will force concerned Kansans to raise over one million dollars to advertise truth and fight the big lie at election time to equal what was spent on advertising by gambling promoters in Oklahoma. People there voted YES because they were told it will reduce taxes. State and local taxes paid by Kansans are already lower than taxes paid by persons in states with parimutuel. Nebraska received 9.2 million dollars from gambling tracks in 1983. That could be raised with a 1/20th cent sales tax in Kansas. For a free booklet with the facts write ECONOMICS, Box 888, Topeka, 66601. Paid for by KANSANS FOR LIFE AT ITS BEST!

Nebraska state Senator Peterson wrote, "GRAND ISLAND IS MY LEGISLATIVE DISTRICT. WHEN I WAS A BANKER THERE, EVERY SPRING WHEN THE HORSES RACE AT FONNER PARK, PEOPLE BORROW MONEY ON THEIR CARS, THEIR HOUSEHOLD GOODS, THEIR HOMES TO BET ON THE WINNING TICKET. EVERY YEAR, SOME PEOPLE LOSE EVERYTHING. I OFFERED THIS TESTIMONY IN OPPOSING THE STATE LOTTERY PROPOSAL IN NEBRASKA. SOME PEOPLE BECOME GAMBLEHOLICS; REAL FAMILIES SUFFER. THE STATE OF NEBRASKA HAS NO BUSINESS BEING INVOLVED IN A TAX-REVENUE RAISING ENTERPRISE WHICH HAS GAMBLING AS ITS BASIS OF SUPPORT." When tracks are running in other states, retail sales drop and bad debts increase because millions of local consumer dollars are lost at the gambling track. The few dollars brought in from out of town are nothing compared to local dollars lost. For a free booklet with the facts, write ECONOMICS, Box 888, Topeka, 66601. Paid for by KANSANS FOR LIFE AT ITS BEST!

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Att. 7

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# Kansans for Pari-Mutuel name Albert Hogoboom president

(El Dorado Times, April 18, 1984)  
Albert Hogoboom, El Dorado, was elected president of the Kansans for Pari-Mutuel Association at a meeting held April 11 in Topeka.

Nick Badwey, David Clymer and Dick Teichgraber, El Dorado businessmen, were named to the association's board of directors.

Norman McCain of Shawnee Mission was elected vice president; David E. Tolle of Topeka is secretary-treasurer. H. Marvin Bastian of Wichita is the immediate past president.

Also serving on the current board of directors are: George Adkins of

Overland Park, Dr. R. W. Radke of Olathe, Jerry Abbott of Silver Lake, Terry Scanlon, Wichita; Al Becker, Kansas City; Ed Hendrickson, Bucyrus; Don McGinnis, Rantoul; Seth McClintock, Shawnee Mission; George Smith, Jerry Holley, and William (Bill) Hutchinson, all of Topeka.

"Legal gambling is being promoted chiefly because there is money to be made by individuals from it."  
-Christian Science Monitor, December 11, 1972

"I wish parimutuel was not an issue. My salary would be the same and I could spend this time building up Kansas rather than trying to prevent gambling promoters from tearing it down."  
Rev. Richard Taylor

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## As Amended by House Committee

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Session of 1984

### House Concurrent Resolution No. 5082

By Peterson, Cloud, Cribbs, Crowell, Dillon, Fox, Green, M. Johnson, Justice, Littlejohn, Love, Rolfs, Schweiker, Shriver, Spaniol, Sutter and Wisdom

2-16

0019 A PROPOSITION to amend the constitution of the state of  
0020 Kansas by adding a new section thereto authorizing the legis-  
0021 lature to permit, regulate, license and tax horse racing by bona  
0022 fide nonprofit organizations and parimutuel wagering thereon  
0023 and to provide for county option thereon parimutuel wagering  
0024 in the state.

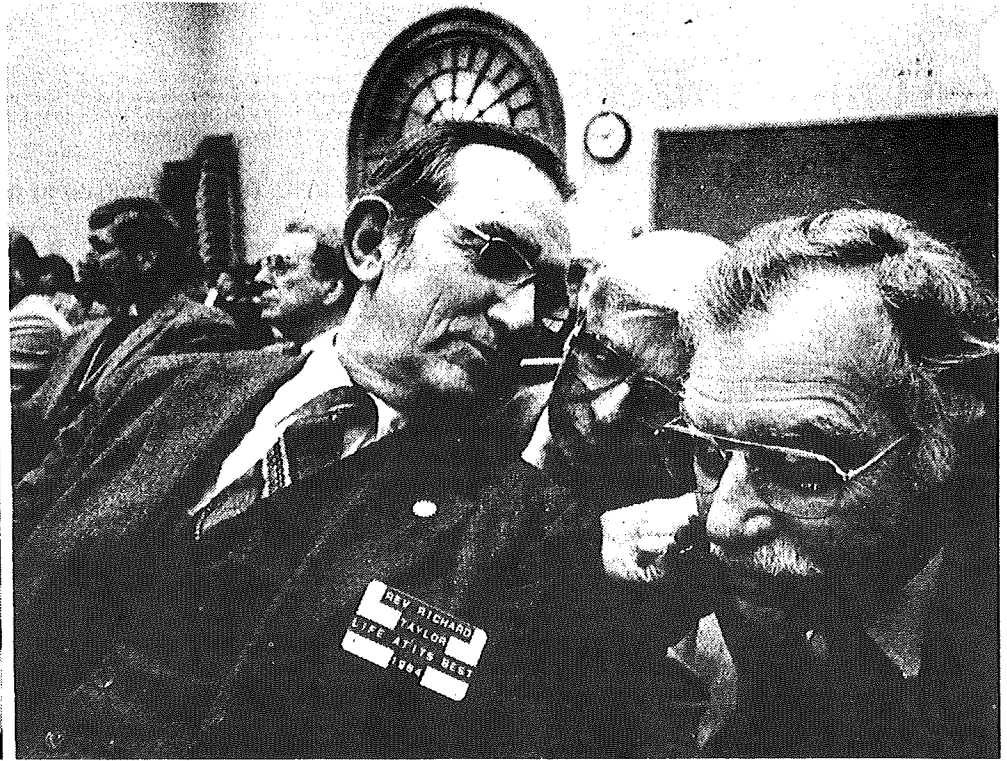
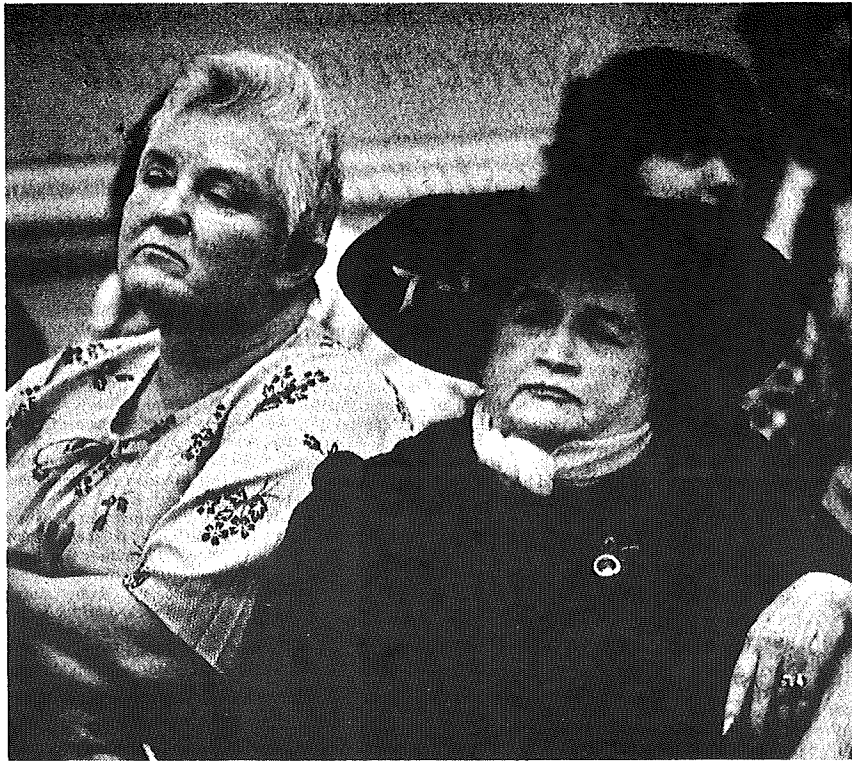
HCR 5082 is A PROPOSTITON TO AMEND THE CONSTITUTION AUTHORIZING PARIMUTUEL WAGERING. It is not a proposition to submit an amendment and allow the people to vote on it. Lawmakers who want race track gambling supported HCR 5082. They worked for this legal skimming operation that takes from the poor and gives to the rich track operators and horse owners. They are against industry and merchants on main street. Because millions of consumer dollars are lost by local people in other states where gambling tracks are running, retail sales drop, bad debts increase, job absenteeism rises, and worker productivity takes a nose dive.

In his WIBW editorial of February 26, 1984, Jerry Holley said opponents of parimutuel gambling "fail to point out Kansas has half again the population of Nebraska and, therefore, more potential for raising" tax money for the state. This acknowledges what informed persons know - the money lost at gambling tracks comes from local people. Very little comes from persons out of state! Parimutuel promoters claim \$273.1 million would be wagered yearly at Kansas tracks with 5% going to the state and 11% or \$30 million yearly going into pockets of non-profit track operators and owners of winning horses. Their concern is not raising money for the state. Whatever the state receives, double that amount will go into their pockets!

Parimutuel will bring people to Kansas - loan sharks, race fixers, prostitutes, shady vets with quick fixes for abused horses, bookies, organized crime, and those who would corrupt public officials in order to win favors for gambling tracks. Please encourage the above lawmakers who sponsored parimutuel wagering in 1984 to change their position and refuse to help those who want to get rich by taking consumer dollars from Kansas business and industry and from those who can least afford to lose at gambling tracks.

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—Staff/Bern Ketchum

June Walker, left, and Pauline Clifton, supporters of the resolution to put a Kansas pari-mutuel wagering resolution to a popular vote, listened skeptically to opponents of the measure. The Rev. Richard Taylor, meanwhile, conferred with others opposing the bill. They are Bob Groff, center, a Topeka attorney, and J. Elwood Slover, right, a retired Washburn University law professor. They appeared before the House Federal and State Affairs Committee.

# Pari-mutuel supporters urge vote; opponents call wagering 'swindle'

By ROGER MYERS  
Capital-Journal/Statehouse writer

Supporters of pari-mutuel wagering in Kansas urged a House committee Monday to submit the issue to a statewide referendum, while opponents branded racetrack gambling "a swindle."

Both sides of the perennial issue appeared before the House Federal and State Affairs Committee to argue about a proposed constitutional amendment which would authorize pari-mutuel wagering in Kansas.

The proposed amendment must be adopted by the Legislature and then be submitted to the voters for their approval or rejection.

It would allow pari-mutuel wagering to be conducted only by "bona fide" non-profit organizations and contains a "local option" which would require voters in a county to approve pari-mutuel wagering even if it is approved by a statewide referendum.

Supporters argued the issue is not whether pari-mutuel wagering is good or bad, but whether the people should have the vote on whether they want to authorize horse race betting in Kansas.

Rep. Mike Peterson, D-Kansas City, one of the sponsors of the proposed amendment, said, "The real question is whether we as elected representatives are going to allow the people to

vote."

Pauline Clifton of Kansas City, Kan., asserted, "Under our constitution and the Bill of Rights, no Legislature shall abridge the people's right to vote."

Calling her views those "of the man on the street," the 66-year-old housewife said, "I'm

## Legislature '84

very active in politics, I know a lot of people and they want to vote.

"If this bill is killed, you are denying people the right to vote."

David Tolle, who raises quarterhorses on a 40-acre ranch at 3650 Menoken Road, said Kansas ranks fifth in the number of quarter horses owned by residents in a single state, but there is no place to race them.

"Pari-mutuel wagering is vital to the success of quarter horse business. There are 65,000 quarter horses in the country," he told the committee.

Jerry Holley, vice president of broadcasting for Stauffer Communications Inc. of Topeka, said one of the richest quarter horse races in the country must be conducted at a track in Ruidoso, N.M., "because of antiquated laws of Kansas."

Holley said Stauffer Communications origi-

nates telecasts of the Ruidoso Downs quarter horse race and it is carried on 100 stations throughout the country.

"A question of this magnitude should be decided by the people," Holley said. "Beyond a shadow of a doubt, the people want to vote on this issue."

Opposition to the proposed amendment was spearheaded by the Rev. Richard Taylor, head of Kansans for Life at its Best.

Noting a supporter had testified Kansas residents are growing weary of the debate over pari-mutuel, Taylor said, "I'm weary of this issue, too.

"They say we're single-issue people. That's right — we're for the reduction of human suffering."

Taylor passed out a sheaf of newspaper clippings he said are indicative of the increase in crime that pari-mutuel wagering brings to communities that have it.

He said Thomas Kelly, director of the Kansas Bureau of Investigation, said, "Pari-mutuel wagering would require the budget of every law enforcement agency to increase."

He disputed the estimate of supporters who claim that pari-mutuel wagering would bring the state \$14.7 million in additional revenue. Holding up more clippings, Taylor said the state of Nebraska only takes in \$9.2 million from pari-mutuel wagering.

"Of course you know that is nothing."

The head of the militant anti-liquor and anti-gambling organization cited a story from The Wall Street Journal which described pari-mutuel wagering as "technically a swindle."

Some of the money wagered by betters is used to pay salaries of administrators and track overhead so that the entire amount wagered is not returned to betters in the form of winnings, he said.

Taylor also disputed the results of a survey commissioned by Kansans for Pari-Mutuel.

He noted that 11 telephone calls were made into the 108th State representative district, the district of Cliff Campbell, R-Beloit, to sample the opinion of approximately 18,000 residents.

"Now that's a real strong survey," he admonished supporters of the issue.

They had cited the survey's results as proof that 78 percent of the state's residents want a chance to vote on the issue, even though they may vote against it.

Taylor said in his prepared testimony, "When 11 persons in District 108 with 18,000 population are part of an opinion poll printed on the front page, Feb. 28, 1984, of The Topeka Capital-Journal with headlines proclaiming 'Betting Law Favored,' you understand why a Hutchinson News editorial on March 3, 1984, said, 'The Stauffer newspaper and television interests are the chief backers of race track

gambling.' Those who favor pari-mutuel believe the media big lie that it will reduce their taxes."

Taylor told the committee members a vote to put pari-mutuel wagering on the ballot is a vote in favor of pari-mutuel.

"I don't want pari-mutuel," Taylor asserted. "I don't want to vote on it."

Former Topeka Mayor Charles Wright also testified against the proposed constitutional amendment.

"I remember 1948 when those who wanted to get rich selling our most abused drug told the public that legal liquor would 'provide more money for old age pensions, pay raises for teachers, better roads for farmers, assistance to veterans or any other worthy project.

"What happened? The more alcohol people drink, the more problems and the higher our taxes go."

Wright, the father of current Topeka Mayor Doug Wright, was referring to the amendment Kansas voters adopted in 1948 which permitted the sale of liquor in Kansas.

"Michigan has bingo gambling, race track gambling, a state lottery and now headlines proclaim, 'Property Tax Relief Offered in Exchange for Slot Machines.

"Kansas gambling promoters are dealers in the big lie just like their counterparts in Michigan," Wright declared.

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# Panel urged to change drinking law

TOPEKA, Kan. (AP) — A high school student urged the House Federal and State Affairs Committee Monday to restrict the purchase of beer by her peers to eliminate what she called "liquid lunches."

Laura Stueben, a student at Shawnee Mission East High School in Prairie Village, was referring to a practice by some high school students of buying beer during the lunch hour and returning to the high school parking lot to drink it.

Ms. Stueben urged the committee to approve a bill that would allow people aged 18-21 to drink only on the premises of bars licensed to sell 3.2 beer. The measure is essentially a "beer-by-the-drink" bill for people 18-21.

Under the measure, introduced by the committee at the request of its chairman, Rep. Robert H. Miller, R-Wellington, people 18-21 would be prohibited from buying beer in grocery and convenience stores. It would also be illegal for them to buy beer "to go" at any tavern.

Those restrictions, Ms. Stueben said, "would help keep alcohol out of the school day."

Ms. Stueben was one of about 20

people who testified before a jammed meeting in the Old Supreme Court Chambers in favor of two proposals to restrict the purchase of 3.2 percent beer.

The second measure, sponsored by Rep. Anita Niles, D-Lebo, would simply raise to 21 the drinking age for all alcoholic beverages.

No action was taken Monday and opponents of the two measures are scheduled to testify before the committee Tuesday.

State law now allows 18-year-olds to buy and drink 3.2 percent beer, while 21 is the drinking age for all stronger alcoholic beverages. Several people supported raising the drinking age as a way of lowering the number of alcohol-related deaths on state highways.

Among those endorsing a higher drinking age was Jim Burnett, a former Clinton, Ark., judge and now chairman of the National Transportation Safety Board who flew in from Washington, D.C.

Burnett called the death toll of young people involved in alcohol-related highway accidents "a national disgrace."

"We can expect to save about 1,250 lives yearly if all states set their drinking age at 21," Burnett

said. "Some have argued that we should not deny young people the privilege of drinking. However, I feel that 1,250 lives is far too precious a price to pay for the license of 18-, 19- and 20-year-olds to drink."

Burnett noted that 19 states now have raised their legal drinking age to 21, including five within the past year. A 20th state, Nebraska, has nearly raised its drinking age to 21. That state's Legislature has passed a 21-aged bill, he said, and is awaiting the governor's decision.

Burnett said Kansas is courting disaster to keep its drinking age for 3.2 beer at 18 while three of the four states bordering Kansas will have drinking ages of 21 by next year.

"The lure of the lower age limit for beer prompts many young residents of these states to drive farther than they would if they could make legal purchases at bars or stores in their own states," he said. "The farther they have to drive after drinking, the more likely they are to be involved in an accident."

The NTSB is the arm of the U.S. Department of Transportation which investigates air, rail and water accidents to try and deter-

mine the causes.

Sgt. Bill Jacobs of the Kansas Highway Patrol urged the committee to raise the drinking age "to enhance the safety of all motorists on Kansas highways."

"In calendar year 1982, there were 1,170 alcohol-related accidents involving drivers in the age group 18-20," Jacobs said. "Thirty-eight of those were fatal accidents that killed 44 persons."

Several people who testified said the alcoholic beverage industry was the biggest obstacle to raising the drinking age.

"There is only one reason to sell alcohol to 18-year-olds," said Paul Pettit, a sophomore at the University of Kansas. "Money."

Pettit's comments were echoed by the Rev. Richard Taylor, spokesman for Kansans for Life at its Best!, who called members of the alcoholic beverage industry "the dealers of death — highway-teenage deaths."

But the most severe condemnation of the industry came from Sandy Golden, from Washington, D.C., who said it was "literally guilty of mass murder."

"Is it more important to sell a six pack of beer or to protect the lives of young people?" Golden asked.

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supporting raising the legal drinking age to twenty-one years, signed by Charles Hanson, Vassar, Kansas, and forty-two others from Vassar and the surrounding area.

SP 258, by Senator Allen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Mrs. Roy Driver, and twenty others from Quenemo, Kansas.

SP 259, by Senator Gannon: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Violet Parks, Ellis, Kansas, and twelve others of Palco and Ellis, Kansas.

SP 260, by Senator Doyen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Ronald Gilbert and six others from Morganville, Kansas.

SP 261, by Senator Doyen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Ms. Janice Burchard, Abilene, Kansas, and fourteen others from the Abilene area.

SP 262, by Senator Doyen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Marie Buchard, Abilene, Kansas, and twenty-six others from the Abilene area.

SP 263, by Senator Gannon: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by LaMonte K. Tuttle and twenty-three others from Quinter, Kansas.

SP 264, by Senator Reilly: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Mrs. Wayne Trail, Basehor, Kansas, and twenty-four others of the Leavenworth, Kansas area.

SP 265, by Senator Thiessen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Sherilyn S. Epp, and eleven others from Independence, Kansas.

SP 266, by Senator Doyen: A Petition opposing pari-mutuel gambling, by Mrs. Russell James, Clay Center, Kansas, and thirty-one others from Clay Center and the surrounding area.

SP 267, by Senator Doyen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years signed by Harry Graves, Concordia, Kansas, and twenty-eight others from the Jamestown and Concordia area.

SP 268, by Senator Doyen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed by Mrs. Leah Babb and twenty-four others from Clay Center, Kansas.

SP 269, by Senator Doyen: A Petition opposing pari-mutuel gambling, lottery gambling and easing the availability of liquor, signed by Denis Williams, Concordia, Kansas, and three others from the Concordia area.

SP 270, by Senator Doyen: A Petition in support of HB 3027, legal services for agriculture-related business, signed by Pastor Harold Bell and five others from Morganville, Kansas.

SP 271, by Senator Doyen: A Petition opposing pari-mutuel gambling and lottery gambling and supporting raising the legal drinking age to twenty-one years, signed by Mrs. Ola Leslie, Abilene, Kansas, and twelve others from the Abilene area.

SP 272, by Senator Pomeroy: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to nineteen years, signed by Mabel A. Ruggler and twenty-one others from Topeka, Kansas.

SP 273, by Senator Doyen: A Petition opposing pari-mutuel gambling and supporting raising the legal drinking age to twenty-one years, signed from Albert Baer, Chapman, Kansas, and twenty-seven others from the Chapman and Junction City area.

the public sale of liquor by the drink; and support raising the drinking age to 21, signed by Orlene Scrivner and 22 other Senior Citizens from Peabody, Kansas.

HP 2089, by Rep. Goossen, opposing pari-mutuel gambling, a state lottery, and the public sale of liquor by the drink; and support raising the drinking age to 21, signed by Mrs. Sarah Albright and 12 others of the Peabody Sorosis Club.

HP 2090, by Rep. Eckert, opposing pari-mutuel and lottery gambling and the public sale of liquor by the drink; and favoring raising the drinking age to 21, signed by Natham A. Bramlett and 14 others from the Hiawatha and Fairview area.

HP 2091, by Rep. Fry, opposing the closing of West Park, signed by Loreta Dressel and 73 others of Lyons.

HP 2092, by Rep. Guldner, supporting changing the age to 21 for sale of liquor, and opposing pari-mutuel gambling, lottery gambling and the public sale of liquor by the drink, signed by Goldie Nelson and 36 others of the Scott City area.

HP 2093, by Rep. Guldner, supporting changing the age to 21 for sale of liquor, and opposing pari-mutuel gambling, lottery gambling and the public sale of liquor by the drink, signed by Kenneth Woods and ten others of the Leoti area.

HP 2094, by Rep. Leach, supporting the drinking age being raised to 21, opposing pari-mutuel gambling, lottery gambling, and public sale of liquor by the drink, signed by Grace Moore and 35 others of McLouth, Kansas.

HP 2095, by Rep. Leach, opposing pari-mutuel gambling, lottery gambling, and liquor by the drink, signed by Rev. Timothy E. Wilbur and 33 others of Valley Falls, Kansas.

HP 2096, by Rep. Littlejohn, in support of raising to age 21 years the drinking age, but oppose pari-mutuel gambling, lottery gambling, and the public sale of liquor by the drink, signed by Mrs. Frank Hahn, Phillipsburg, Kansas and 128 others from the Phillipsburg area.

HP 2097, by Rep. Littlejohn, in support of age 21 years for the purchase of alcoholic beverages, but oppose pari-mutuel gambling, lottery gambling, and the public sale of liquor by the drink, signed by Mrs. Helen D. Gardner of Plainville, Kansas and 11 others from the Plainville, Kansas area.

HP 2098, by Rep. Smith, supporting the change of legal drinking to age 21 and opposing pari-mutuel gambling, lottery gambling and the public sale of liquor by the drink, signed by Fred Bareiss and 26 others in the Holton area.

HP 2099, by Rep. Braden, requesting the Legislature to support raising the age limit to 21 for beer sales and refuse to approve pari-mutuel gambling, lottery gambling, and the public sale of liquor by the drink, signed by Rev. Harold Hotchkiss, Clay Center, Kansas and 30 others.

HP 2100, by Rep. Fuller, supporting age 21 for liquor sales and opposing pari-mutuel and lottery gambling, and the sale of liquor by the drink, signed by Mrs. Vera Sjöholm and 19 others.

HP 2101, by Rep. Niles, opposing pari-mutuel and lottery gambling, signed by Martin Jones and 21 others of the Lebo area.

HP 2102, by Rep. Niles, opposing pari-mutuel and lottery gambling, signed by Doctor Hunter and 20 others of the Lebo area.

HP 2103, by Rep. Sughru, support age 21, oppose pari-mutuel gambling, lottery and public sale of liquor by the drink, signed by Lorene Kulbiski and 33 others of the Dodge City area.

HP 2104, by Rep. Patterson, opposing pari-mutuel gambling, a state lottery, and the public sale of liquor by the drink; and favoring raising the drinking age to 21, signed by Grey Earle and 49 others from the Independence area.

HP 2105, by Rep. Hassler, to support drinking age of 21, oppose pari-mutuel gambling, lottery gambling, and sale of liquor by the drink, signed by Mrs. M. Ruth Wood and 29 others of Abilene, Kansas.

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# Liquor

Continued from page 1

R-Topeka.

Sens. Bill Morris, R-Wichita, Ben V-dricksen, R-Salina, Jan Meyers, R-Overland Park, and Norma Daniels, D-Wichita, voted against the motion, preferring the bill as it came out of the conference report, which would raise the age to 19.

The committee recommendation will be read by Reilly, committee chairman, on the floor of the Senate Thursday and the upper chamber will decide whether to accept it.

Even supporters of the higher age agreed it would not be very effective, but the public wants it raised.

"The public expects us to do something even though it will not be well enforced," Morris said. "It does have one redeeming value — it will help slow down the pipeline to high school students."

The list of people testifying included a retired state senator from Iowa, high school students from Wichita and Lawrence, beer distributors, students from the University of Kansas and Kansas State University and highway safety experts. Each recited statistics supporting their views and gave personal opinions about the proposal.

"Raising the drinking age isn't going to hurt anyone," said Kathy Page, a senior at Wichita West High School. "But it may save one life, and that one life might be yours. You ought to think about that."

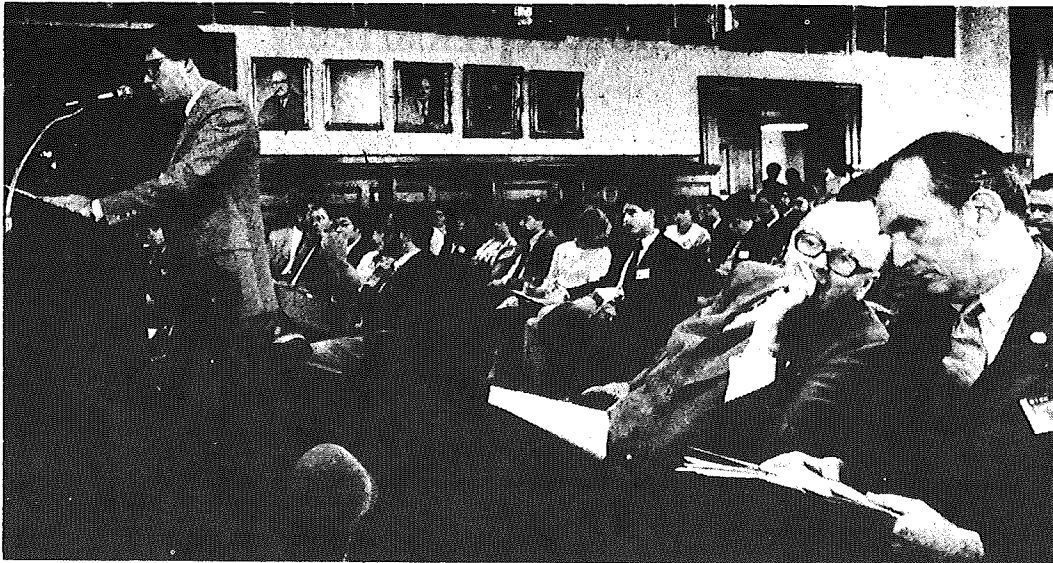
Eldon Danenhauer, a beer distributor in Topeka and Lawrence, told the committee the state should address alcohol abuse problems by educating the public, not singling out one age group and denying them access to beer.

"The area that I believe is lacking is education and education can have a long-term effect on the alcohol abuse problem," Danenhauer said, pointing to extensive alcohol abuse programs developed by the National Beer Wholesalers Association as one means of clearing up the "ignorance, misconception and myths" that surround alcohol and drinking.

Dick Edington, a Topeka beer distributor and spokesman for Kansas Beer Wholesalers Association, called alcohol abuse a complex social problem that cannot be solved by passing laws to exclude young adults from society.

"I am convinced that raising the drinking age is not the solution to the problem," Edington said. "We must change our social attitudes toward overindulgence and drinking."

In addition, the Rev. Richard Taylor, leader of the state's dry forces called Kansas For Life At Its Best!, and representatives of the Associated Students of Kansas, testified



Staff/Bern Ketchum

Brett Lambert, left, a Kansas State University sophomore, presented testimony Wednesday before a Senate Committee on a bill to raise the drinking age for 3.2 beer. Paying particular attention to Lambert's remarks were

William Plymat, Iowa Commissioner on Substance Abuse, and Rev. Richard Taylor, of Kansas for Life at Its Best!. The committee recommended that the drinking age for 3.2 beer remain at 18.

## Drinking age left unchanged

By BILL VOGRIN  
Associated Press writer

The Senate Federal and State Affairs Committee on Wednesday recommended the legal drinking age for 3.2 percent beer in Kansas remain at 18 and called for a summer task force to be appointed to study the "gamut of issues surrounding alcohol abuse and drunk driving."

The committee's decision came after nearly four hours of emotion-charged testimony, debate and discussion over a bill submitted by a House-Senate conference committee which would raise the legal drinking age one year to 19 for 3.2 percent beer.

The committee voted 6-4 to recommend the conference committee report be killed after discussion that included Sen. Richard Gannon, D-Goodland, saying the Legislature was trying to "fool the public" by raising the drinking age. He said it was a "knee-jerk reaction" that gives a false sense of security about alcohol abuse.

"I don't think increasing the drinking age is going to help one bit," Gannon said. "It just gives the public a false sense of security when what we need is education of the problem and better enforcement."

Sen. Ed Roitz, R-Pittsburg, suggested that the drinking age be left at 18. He said Kansas should not raise the age simply because it's a popular trend.

"Are we just a 'me too' state?" Roitz asked. "Are we doing it because see that other states are doing it, or because it's in vogue?"

He was supported by Gannon and Sens. Wint Winter, R-Lawrence; Ed Reilly, R-Leavenworth; Nancy Parrish, D-Topeka; and Elwaine Pomeroy,



—Staff/Bern Ketchum

After a temporary victory for opponents of a measure to raise the drinking age to 19, Mark Tallman, left, of Associated Students of Kan-

sas, spoke with Neal Whitaker, lobbyist for Kansas Beer Wholesalers, during state Senate committee hearings Wednesday.

## Pari-mutuel dead issue, says Hayden

Speaker Mike Hayden, R-Atwood, said Wednesday that members of the House Republican majority are five-to-one against bringing up pari-mutuel wagering for debate during the wrap-up session of the Legislature.

Hayden said a survey of 69 of the 72 GOP members in the House also showed that if the question were brought up for debate, only 25 of them would vote for it, while 44 would vote against it.

Hayden said results of the survey, which was conducted Tuesday and Wednesday, have reinforced his tentative decision against bringing up for debate a proposed constitutional amendment to authorize pari-mutuel wagering.

Results of the unofficial poll and Hayden's decision appear to doom the proposed amendment for this session.

Rep. Mike Peterson, D-Kansas City, the primary sponsor of the pari-mutuel wagering measure, said he is uncertain whether he will try to overturn Hayden's decision by offering a motion which would force House consideration of the issue. Peterson has had the motion prepared in case he decides to try and force the issue.

Another supporter of pari-mutuel wagering, Rep. Rex Crowell, R-Longton, said he was surprised at the tally of Hayden's unofficial poll.

"We felt we had 72 to 74 firm committed votes in favor of pari-mutuel if we could get it on the floor for debate," Crowell said.

Because pari-mutuel wagering is a proposed amendment to the state constitution, a two-thirds majority, or 84 votes in the 125-member House, would be needed to adopt the amendment and send it to the Senate.

WHY ARE THESE MEN REDUCING? "DRINKING AGE LEFT UNCHANGED" TELLS THE STORY. MARK TALLMAN AND NEAL WHITAKER ARE VERY HAPPY IN THIS PICTURE ON THE FRONT PAGE OF THE TOPEKA CAPITAL-JOURNAL. THEY TEAMED UP IN A SUCCESSFUL LOBBY EFFORT TO CONVINCING LAWMAKERS THAT DRINKING AND SELLING BEER IS MORE IMPORTANT THAN REDUCED DEATH AND INJURY ON KANSAS HIGHWAYS. WILL THERE BE REDUCING IN HOMES OF YOUTH WHO ARE NEEDLESSLY KILLED AND MAIMED BECAUSE THE DRINKING AGE REMAINS AT 18?

"CONSIDERING K-S STATE WILL BE KICKING IN ALMOST \$17,000 FOR THIS GROUP, IT SEEMS REASONABLE TO ASK JUST WHAT A.S.K. DOES FOR K-S STATE. THEY LOBBY AGAINST THE DRINKING AGE BILL. AND THEN, OF COURSE, THEY LOBBY AGAINST THE DRINKING AGE BILL. THAT WORTH ALMOST \$17,000?"

—Kansas State Collegian, April 17, 1984  
Karra Porter for the editorial board

BILL PLYMAT AND REV. TAYLOR HAVE NOTHING TO SMILE ABOUT BECAUSE THEY KNOW WHAT HAPPENED IN OTHER STATES WHEN THE DRINKING AGE WAS LOWERED — HUNDREDS OF YOUTH WERE DYING FOR A DRINK.

THIS SUCCESSFUL A.S.K. BEER LOBBY EFFORT WAS PAID FOR BY STUDENT FEES FROM EVERY PERSON ATTENDING KANSAS STATE UNIVERSITY, WICHITA STATE UNIVERSITY, AND UNIVERSITIES AT FORT HAYS, PITTSBURG, EMPORIA, AND WASHBURN. YOUR SONS AND DAUGHTERS AND FRIENDS PAID FOR THIS SUCCESSFUL BEER LOBBYING EFFORT.

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Continued on page 5, column 1

# Lobbyists sponsor legislative breakfast

Topeka Capital-Journal, Thursday, January 19, 1984 5

About 50 legislators attended an early-morning breakfast Wednesday at which religious representatives and lobbyists presented background information on ethical and moral issues facing the current session of the Legislature.

The second annual Bishop's Prayer Breakfast was hosted by Bishop Ben Oliphint, head of the Kansas East Conference of the United Methodist Church, and co-sponsored by Kansans for Life at Its Best!, a state lobbying organization led by the Rev. Richard Taylor. The breakfast was held at First United Methodist Church, 601 Harrison.

Topeka attorney Bob Groff labeled pari-mutuel betting a form of "legalized swindle" as it currently is being practiced in other states. He urged legislators to reject any proposition to allow it in the state, calling the Kansas Constitution "a bulwark" against such a measure.

Each of the speakers referred to a pamphlet produced by the lobbying organization, titled "Economics in the Public Interest." The publication is a compilation of recent news accounts and statements of medical authorities and elected public officials on issues discussed during the breakfast meeting.

Everett L. Johnson, Augusta, an engineering professor at Wichita State University, decried any legislation that would legalize gambling in the state, saying it would promote worker absenteeism and encourage financial hardships on families.

Johnson said businesses in New Mexico, where he formerly lived, had suffered the effects of legalized gambling, which had been instituted to increase state revenue.

Wichita businessman Lonnie Hephner said gambling encourages financial losses, not only to individuals but to the state through lost sales taxes and income taxes. More importantly, he added, it rends the social fabric of a stable society.

"There is no increase to the state, and no increase to the people," he said.

Dr. Richard Beach, a Topeka physician, said he supported raising the legal drinking age to 21, an idea also supported by the American Medical Association. As one of many physicians who have "to view the human damage that drunk drivers can cause," he implored the legislators to raise Kansas' limit.

In considering what were labeled "ethical questions," Oliphint urged the lawmakers to question the consequences of any and all legislative measures before passing them into law: Who would benefit, would it provide the greatest good for the greatest number of people and would the proposal improve the quality of life in the state?

# Transportation secretary urges raising drinking age

TOPEKA, Kan. (AP) — U.S. Transportation Secretary Elizabeth Hanford Dole urged the Kansas Legislature Wednesday to raise the legal age for drinking all alcoholic beverages in Kansas to 21.

Her request came in a telegram read at a breakfast for legislators sponsored by Kansans for Life at Its Best, the state's temperance organization. About 50 legislators attended the breakfast, held at First United Methodist Church, a few blocks from the Capitol.

"State laws establishing 21 as the minimum legal age for the purchase of all alcoholic beverages are an important aspect of our national attack upon the tragic problem of drunk driving," Mrs. Dole said. "Highway fatality statistics show that drivers under 21 years of age are involved in about 42 percent of all fatal alcohol-related crashes."

Her message was read by the Rev. Ben Oliphint of Topeka, United Methodist bishop of Kansas.

Kansans for Life at Its Best advocates raising the drinking age to

21 for 3.2 percent beer. The legal age for drinking all stronger alcoholic beverages in Kansas already is 21. The legal age for 3.2 beer is 18.

Sharing top billing with raising the drinking age at the second annual "Bishop's Breakfast for Legislators" were Kansans for Life at Its Best's opposition to legalizing pari-mutuel wagering and lotteries in Kansas.

"Commercial gambling hurts the economy. But our greatest concern is for people," Bishop Oliphint said. "Attorney General (Robert) Stephan said it well, 'People who can't afford to gamble gamble too much. They hurt themselves and they hurt their families.'"

Lonnie Hephner, a Wichita businessman who is chairman of the board of Kansans for Life at Its Best, said gambling drains money from the business community, and Everett Johnson, an engineering professor at Wichita State University said gambling contributes to job absenteeism and low worker productivity.

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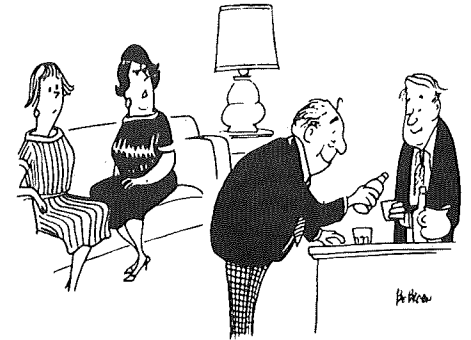
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ADDRESS CORRECTION REQUESTED

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THE WALL STREET JOURNAL



"If it was up to me, I'd raise the drinking age... 65."