

Approved: 3-13-96
Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Senator Lana Oleen at 11:00 a.m. on February 20, 1996 in Room 254-E of the Capitol.

Members present were: Senator Oleen, Chair
Senator Tillotson, Vice Chair
Senator Jones, Ranking Minority Member
Senator Gooch
Senator Hensley
Senator Jordan
Senator Papay
Senator Praeger
Senator Ramirez
Senator Vidricksen
Senator Walker

Members not present:

Committee staff present: Mary Galligan, Legislative Research
Mary Torrence, Revisor
Nancy Wolff, Committee Secretary

Conferees appearing before the committee:
Terry Hamblin, Attorney for the Racing Commission

Others attending meeting: See attached list

A hearing on **SB663**--Parimutuel racing; definition of "contract"; qualifications of director of racing; amount of horse racing required at dual track was held. Terry Hamblin, Attorney for the Racing Commission, presented the background on the bill. He stated that the bill was requested by the Legislative Post Audit Committee at the request of the Kansas Racing commission in response to concerns raised by the audits of various entities within the parimutuel racing industry. He also said that the bill was necessary to better carry out the regulatory functions of the commission.

Mr. Hamblin requested that the bill be amended on Page 1 at Lines 27-29 to define what is meant by "contract". He said that there has been an ongoing disagreement between the commission and its licensees as to what is and what is not a contract and that putting a definition in the racing act should put an end to such disputes which have occurred in the past. He also requested that the bill be amended on Page 5 at line 7 to correct an oversight that came about when the 1995 legislature amended K.S.A. 74-8805(a)(1) to provide for gubernatorial appointment of the executive director of the racing commission but failed to provide for the governor to set the executive director's salary. He said that the bill also needs to be amended on Page 6 at line 34 to make it possible to attract candidates for the position of the Director of Racing Operations within fiscal constraints. Budget allocation in prior years have not been sufficient to attract candidates with the requisite number of years experience. He said that reducing the statutory experience requirement from ten to five years should alleviate the problem.

He also said that the bill should be amended on Page 15, at lines 17-19 to clarify the requirement that on 20% of a dual racing facility's total race days such facility must conduct live horse races. The amendment is necessitated by the definition of the word "conducted" as including simulcast as well as live races. Failure to run the required number of live horse race dates could be excused by the commission if a licensee demonstrates reasonable justification for their inability to attract sufficient numbers of horses for competitive races or a jockey strike.

There was no fiscal impact of the bill.

There being no other conferees, the hearing on **SB708** - Parimutuel racing; crossover employment between licensees; prohibitions on in-laws of commission members; stewards and judges; simulcasting requirements was commenced. Mr. Hamblin stated that the bill reduced the number of people needed for employment at the tracks by allowing crossover of employees from one position to another. This would allow an individual to fill two jobs, rather than only one job and reduced the number of employees required to be employed. It also would expand the restrictions on relatives of commission members to be employed at the tracks. The bill also clarifies the requirement that an organization licensee conducting racing at a dual race tract facility must conduct live horse racing on 20% of its total racing dates in any given year. There was no fiscal impact of the bill. There being no other conferees, Senator Oleen declared the hearings closed.

Senator Hensley made a motion to amend **SB663** Page 5 at line 7 to conceptually amend the bill to provide for gubernatorial appointment of the executive director of the racing commission but failed to provide for the governor to set the executive director's salary. Senator Tillotson seconded the motion. The motion carried.

Senator Hensley made a conceptual motion to utilize Mr. Hamblin's suggestion with regard to the definition of contract and Senator Jones seconded the motion. The motion carried.

Senator Jones made a motion that the wording on Page 15, line 17, be changed from "shall" to "may" and Senator Papay seconded the motion. The motion carried.

Senator Jordan made a motion that **SB663** be reported favorably for passage and Senator Praeger seconded the motion. The motion carried.

The Committee then reviewed **SB708**. Senator Jones made a motion that **SB708** be reported favorable for passage and Senator Gooch seconded. The motion carried.

Senator Vidricksen made a motion that **SB646**, a bill relating amounts transferred to gaming revenues fund from Kansas lottery pull-tab ticket revenues be reported favorable for passage and Senator Tillotson seconded the motion. The motion carried.

Senator Ramirez announced that the Senate Federal and State Affairs Committee would be holding a joint meeting with the Senator Governmental Organization Committee on Wednesday, February 21 in room 519-S at 12:15 with regard to **ERO28** which would reorganize the Kansas Human Rights Commission as the Kansas Commission on Diversity and Human Rights.

There being no other business, the meeting was adjourned at 12:00 noon.

