

Approved: 4-26-96
Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Senator Lana Oleen at 11:10 a.m. on February 23, 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
Nancy Wolff, Committee Secretary

Mary Galligan commenced the briefing of the committee on SCR1621 which would provide for a Constitutional Amendment to allow for state-owned and operated lottery to contract with bona fide nonprofit organizations to operate or conduct electronic games of chance at certain locations in the state and SB712 which would provide the enabling legislation for SCR1621.

Ms. Galligan provided an overview of SCR1621. Electronic gaming could only be conducted in counties where a majority of voters voting on the resolution approve it; or where a majority of voters approve a subsequent proposition permitting operation of those games in the county. The resolution would also allow for a minimum of 10 percent of the total amount gambled in the electronic machines, less prizes paid, to be used for purse and breed enhancements for the licensed horse and dog racing industry in the state.

Senator Gooch asked if electronic gaming would also encompass black jack, craps, etc. Ms. Galligan responded that any games played on machines as defined under the bill would be covered.

Senator Ramirez asked if there was some kind of law that stated that there must be an expiration date on these constitutional amendments. He stated that the way the bill is written, it will be necessary to revisit this issue in a few years. Ms. Galligan responded that the date in SCR1621 would bring the issue back up for consideration the same year that the lottery is to be reconsidered.

Senator Jones requested clarification as to where the racing commission gets its authority when the bill provides for a "state-owned and operated lottery that contracts with *bona fide* nonprofit organizations. Ms. Galligan responded that under this bill, there is no expressed authority in this act that gives the racing commission special or unique regulatory authority over these games. The lottery we have in this state is state-owned and should this become law, then the lottery will become the regulatory agency which will allow them to bring expanded gambling to the racetrack.

Senator Oleen requested that the committee continue to review the memoranda presented by Mary Galligan as the hearings on these two bills was scheduled for Monday.

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

FEDERAL & STATE AFFAIRS COMMITTEE
GUEST LIST

DATE: 2-23-96

NAME	REPRESENTING
Glenn Thompson	Stand up For Kansas
Bettie Thompson	Stand up For Kansas
Dave Schneide	Kansas For Life At The Best
Pam Evans	Kansas Lottery
Carol McDowell	Kansas Gaming Partners
Jean Barber	Travel Ind. arm of KS
Ed Walbourn	Washburn Co
JOE BERGER	
Ralph Snyder	American Legion
Allen Jones	SBA
Natalie Obag	State Gaming Agency
Jimmy Stambler	Racing Commission
Patrick Steerley	GTBA
Julie Wright	Fagle
DAVID B SEATROSSER	PETE MCGILL & ASSOC.
Tom Bruno	Allen Assoc.
Katherine Turpin	KS THOROUGHBRED ASSOCIATION
Steve Montgomery	Ks. Greyhound Kennel Owners' Assoc
Tom Buzs	Sunflower
Jim Edwards	KCCI
J.P. Small	KS Quarterhorse Racing Ass'n.
Shaw Wright	The Woodlands
Bruce Rinbo	" "
Helen Stout	Ks. Greyhound Assoc.
Frank DeSocio	JOMA Bowling Co.
Rex Harvey	GAGE BOWLS
Henry Cisneros	Housing Lobbyist