

Approved: _____
Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Senator Lana Oleen at 11:05 a.m. on April 30, 1999 in Room 254-E of the Capitol.

All members were present except: Senator Bleeker, Excused

Committee staff present: Mary Galligan, Legislative Research Department
Russell Mills, Legislative Research Department
Theresa Kiernan, Revisors of Statutes

Chairman Oleen stated that the Conference Committee on HB 2065 had requested that a review of the language concerning the Indian Gaming Compacts be held. The chairman requested that Mary Galligan review the current law and the proposed changes with the committee. (Attachment 1) The proposed changes were brought by Representative Neufeld. The proposed amendment would remove the LLC's authority to approve the Committee's recommendation when the Legislature is adjourned and require a special session of the legislation to be called to vote on the compact.

Questions were raised by committee members as to why the LLC was included. Staff explained that originally there was a time limitation for response by the state and if these time frames were not met the Native American nation requesting the compact could take the state to federal court. To avoid the threat of a law suit, the LLC was designated to act. Chairman Oleen stated that at this time if a gaming compact comes up when the legislature is not in session 5 people can decide if it should be approved or not.

Senator Vratil recommended that the committee take this up as an item of study during the interim since there would be less than 60 days for a compact to be presented that the legislature would not be in session. After discussion by the committee Chairman Oleen stated that the Conference Committee would be advised that the issue had been discussed by the Federal and State Committee and it was the decision of the committee to make no changes at this time, but to take this issue up as an item of study.

Chairman Oleen asked that the Theresa Kiernan, Revisor of Statute to review the amendment to **SB 361 - school districts; authorizing boards of education to enter into contract with state educational institutions for food services**. The amendment would allow contracts to be entered into when two or less bids were received for an event. In response to questions from Chairman Oleen the committee concurred that the amendment did address the concerns.

Chairman Oleen thanked the members of the subcommittee on **HB 2013- Bingo**, and ask for a report from each member. (Attachment 2). Senator Biggs shared some reservations he had concerning the subcommittee report with points 2, 3, and 5. Two and Three reduced the maximum number of games and the initial prize amount in a progressive bingo game and point five stated that a position be created in the Department of Revenue. Senator Harrington stated that she believed that the numbers should be returned to the original numbers in the house on points two and three. Chairman Oleen stated that there would not be a new position created, but only that a person would be designated within the department and that the money was already in place for this.

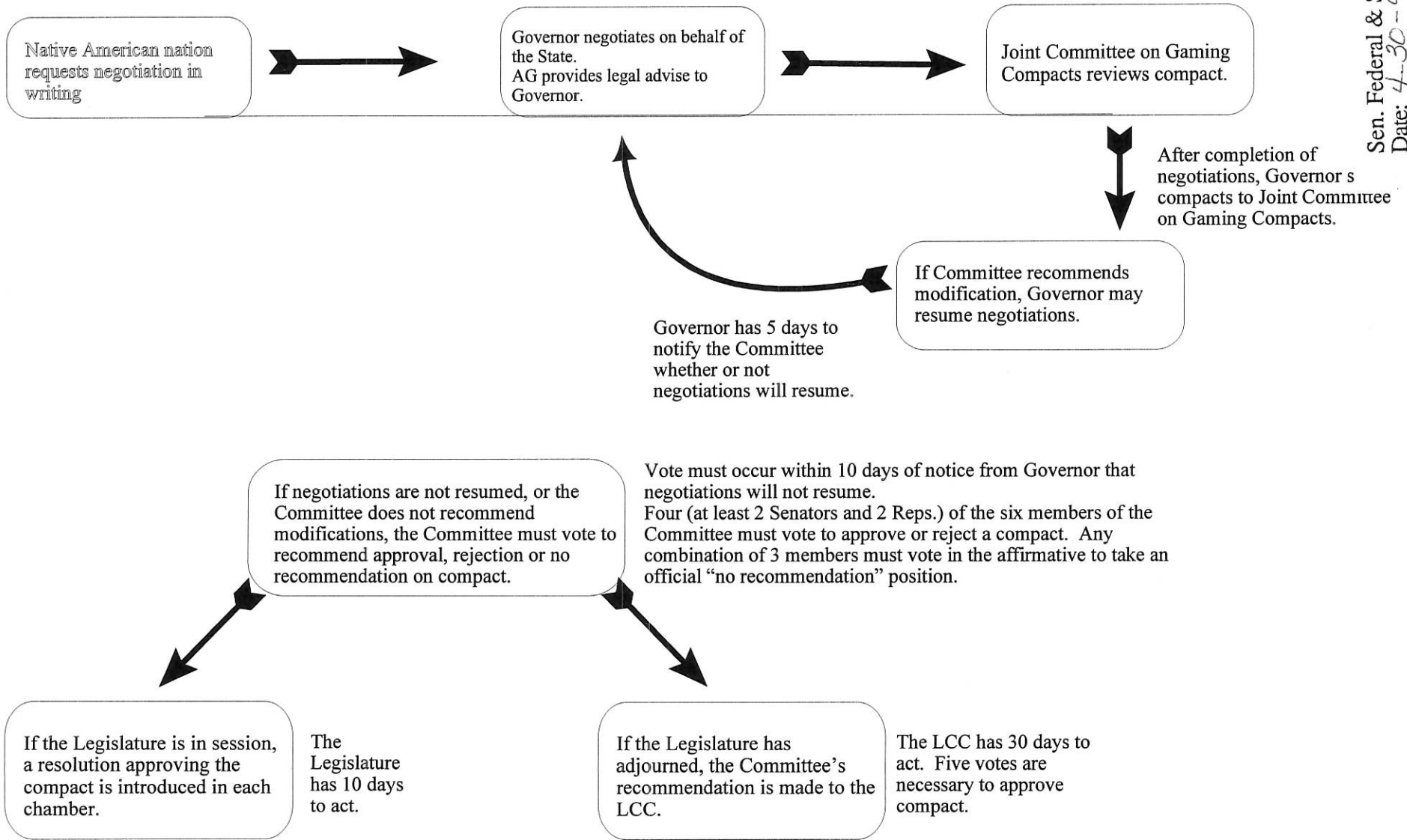
Senator Harrington moved that **HB 2013 Bingo** be returned to the original numbers in points 2 and 3 and that point 5 have the word "create" change to "designate". Senator Gooch seconded the motion. The motion passed.

Senator Harrington moved that **HB 2013** as amended be favorably recommended to the full Senate. Senator Becker seconded the motion. After discussion by the committee The motion failed and **HB 2013** will remain in committee for further consideration.

The meeting adjourned at 12:20 p.m. The next meeting will be on call of the chair.

Tribal-State Gaming Compact Negotiation and Legislative Approval

Statutory Process K.S.A 46-2301, *et seq.*



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posed gaming compact.

[(e) The attorney general shall be the legal counsel for the governor or the governor's representatives in negotiating a gaming compact under this section and for the joint committee on gaming compacts in reviewing proposed compacts.

[(f) A gaming compact negotiated on behalf of the state under this section shall contain:

[(1) A provision recognizing the right of each party to the compact to request that the compact be renegotiated or replaced by a new compact, including the right of the legislature by concurrent resolution to request renegotiation or replacement of the compact, and providing the terms under which either party, including the legislature, may request a renegotiation or the negotiation of a new compact; and

[(2) a provision that, in the event of a request for a renegotiation or a new compact, the existing compact will remain in effect until renegotiated or replaced.

[(g) The governor, or the governor's designated representatives, and the attorney general shall report to the joint committee on gaming compacts, at such times as requested by the joint committee, regarding gaming compacts negotiated and prospective negotiations.

[Sec. 5. K.S.A. 46-2303 is hereby amended to read as follows: 46-2303. (a) There is hereby established the joint committee on gaming compacts, which shall consist of three senators and three members of the house of representatives. Of the senators, two shall be appointed by the president of the senate and one by the minority leader of the senate. Of the members of the house of representatives, two shall be appointed by the speaker of the house of representatives and one by the minority leader of the house of representatives.

[(a) The joint committee on gaming compacts is hereby reconstituted as the joint committee on state-tribal relations. The joint committee shall consist of 12 members as follows: (1) Five members of the senate and five members of the house of representatives; and (2) the governor or the governor's designee and the attorney general or the attorney general's designee who shall be nonvoting members. Of the members appointed from the senate, three shall be appointed by the president of the senate and two shall be appointed by the minority leader of the senate. Of the members appointed from the house of representatives, three shall be appointed by the speaker of the house of representatives and two by the minority leader of the house of representatives. Such members shall be selected only from the membership of the standing committees on federal

, expire on a specific date

be

, expiration on a specific date

(3) a provision establishing an expiration date after which the compact will no longer be in effect

1 ernor's representatives may resume negotiations in accordance with
 2 the joint committee's recommendations and the modified proposed
 3 compact shall be submitted to the joint committee in the same man-
 4 ner as the original proposed compact. Within 5 days after receiving
 5 the joint committee's recommended modifications, the governor
 6 shall notify the joint committee, in writing, as to whether or not the
 7 governor has resumed negotiations. Within 10 days after receipt of
 8 notice that the governor has not resumed negotiations, or if the gov-
 9 ernor fails to notify the joint committee that the governor has re-
 10 sumed negotiations, the joint committee shall vote to recommend
 11 approval or rejection of the proposed compact or shall vote to make
 12 no recommendation on the proposed compact.

13 [(d) (1) If the legislature is in session when the joint committee
 14 on gaming compacts votes to recommend approval or rejection of a
 15 proposed compact or votes to make no recommendation on a pro-
 16 posed compact, as authorized by this section, the joint committee
 17 shall introduce in each house of the legislature, within five days
 18 after the joint committee's vote, a resolution approving the pro-
 19 posed compact as submitted by the governor. Each resolution shall
 20 be accompanied by the report of the joint committee recommending
 21 that the resolution be adopted or not be adopted or reporting the
 22 resolution without recommendation. If, within 10 days after intro-
 23 duction of the resolutions, a majority of the members of each house
 24 votes to adopt the resolution introduced in such house, the proposed
 25 compact shall be considered to have been approved by the legisla-
 26 ture and the governor is authorized to execute the compact on be-
 27 half of the state. Each house of the legislature shall vote on the
 28 resolution introduced in such house within 10 days after introduc-
 29 tion unless the other house has already voted against adoption of
 30 the resolution introduced in such other house.

31 [(2) If the legislature is not in session when the joint committee
 32 on gaming compacts votes to recommend approval or rejection of a
 33 proposed compact or votes to make no recommendation on a pro-
 34 posed compact, as authorized by this section, the joint committee
 35 shall ~~notify the legislative coordinating council of the joint com-
 36 mittee's action within five days after such action. If, within 30 days
 37 after receiving such notice, the legislative coordinating council
 38 votes, by a vote of five members of the council, to approve the pro-
 39 posed compact, the compact shall be considered to have been ap-
 40 proved by the legislative coordinating council and the governor is
 41 authorized to execute the compact on behalf of the state.~~

42 [(3) ~~Neither the~~ legislature ~~nor the legislative coordinating~~
 43 ~~council has~~ the authority to amend or otherwise modify any pro-

introduce in each house of the legislature, on the first day of the legislative session subsequent to the joint committee's vote, a resolution approving the proposed compact as submitted by the governor. Each resolution shall be accompanied by the report of the joint committee recommending that the resolution be adopted or not be adopted or reporting the resolution without recommendation. If, within 20 days after introduction of the resolutions, a majority of the members of each house votes to adopt the resolution introduced in such house, the proposed compact shall be considered to have been approved by the legislature and the governor is authorized to execute the compact on behalf of the state. Each house of the legislature shall vote on the resolution introduced in such house within 10 days after introduction unless the other house has already voted against adoption of the resolution introduced in such other house.

The

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TO: Senate Committee on Federal and State Affairs
FROM: Bingo Subcommittee
RE: Subcommittee Report

The Bingo Subcommittee consisting of Senators Oleen, Harrington and Biggs met three times to consider amendments to Sub. HB 2013. During the Subcommittee's discussion, other matters related to gaming in Kansas also were discussed.

The Subcommittee makes the following recommendations to the full Committee as amendments to bill as passed by the House:

- Return the bingo tax to 0.3¢, as in the introduced version of the bill.
- Reduce to 10 from 20 the maximum number of games in a progressive bingo game.
- Reduce to \$125, from \$250, the initial prize amount in a progressive bingo game and allow the prize to be increased by a maximum of \$50, rather than \$100, each session (maximum prize of \$575).
- Reduce to \$200 the amount of prize money that can be awarded in cash by a bingo licensee. Larger monetary prizes would have to be paid by check.
- Create the position of Administrator of Charitable Gaming in the Department of Revenue. The person would be responsible for implementing the Bingo Act, would be appointed by and responsible to the Secretary of Revenue, and would be confirmed by the Senate.
- Make numerous amendments as requested by the Department of Revenue to clarify the bingo tax collection provisions of the bill as passed by the House.
- Set aside the greater of \$60,000 or 2% of unclaimed lottery prize money to fund treatment of and research about problem gambling. Grants would be awarded on a competitive basis in accordance with criteria developed by the Executive Director of the Lottery. Each grant proposal would have to demonstrate that it was developed with substantial and effective coordination with public and private organizations that are directly involved or recognized as interested in the treatment of problem gamblers or the study of problem gambling.
- Change the transfer to the State Gaming Revenue Fund from pull tab sales from a minimum of 30% to a minimum of 20% of total sales (provisions of HB 2535, currently in House Committee on Federal and State Affairs).
- Allow the Lottery to award non-monetary prizes (provisions of HB 2536, currently in House Committee on Federal and State Affairs).
- Remove the statutory limitations on the takeout from parimutuel wagers on simulcast races (provisions of HB 2537, currently in House Committee on Federal and State Affairs).