

MINUTES OF THE HOUSE FED & STATE COMMITTEE

The meeting was called to order by Chairperson Doug Mays at 1:30 p.m. on January 17, 2001 in Room 313-S of the Capitol.

All members were present.

Committee staff present: Theresa Kiernan, Revisor of Statutes  
Russell Mills, Legislative Research Department  
Shelia Pearman, Committee Secretary

Conferees appearing before the committee: Russell Mills, Legislative Research Analyst  
Ed Van Petten, Kansas Lottery's Executive Director

Others attending: See attached list

Without objection bill was introduced as requested by Representative Dale Swenson introduced bill dealing with Search and Rescue dogs. [HB 2067]

Chairman Mays opened hearings on HB 2038 - Lottery extension.

Mr. Mills informed the Committee that research discovered K-12 education has received \$80,000 of Economic Development Initiatives Funds (EDIF) appropriation to "Agriculture in the Classroom," an agricultural awareness program encompassing brochures to increase agricultural awareness and a booth at State Fair as well as the Challenger Learning Center in Wellington (similar to the Hutchinson Cosmosphere). Legislative Research has stack of press clippings available for review.

Mr. Van Petten announced he became Deputy Director on May 15, 2000 with no promises of promotion made at that appointment. He became Executive Director on October 2, 2000 after Mr. Ziemack departed on October 1, 2000. Previously employed by the Kansas Bureau of Investigation (KBI) as General Counsel from Fall 1985 - 1997. Chairman Mays disclosed that Mr. Van Petten worked at the Security Commission while Chairman Mays was also employed there.

Representative Rehorn reminded committee of gag order issued regarding pre-trial publicity by Judge Thomas Conklin. Chairman Mays read gag order issued regarding the *State v. Knowlton (Case No. 00-CR-2621)* and Article 2, Section 22 of the Kansas Constitution. Mr. Van Petten was comfortable proceeding as he did in the Senate committee discussing operational issues with his limitation of details regarding specific details of the criminal complaint because only the legislators are exempted from the order.

Approximately one year ago, the Lieutenant Governor and Attorney General received an anonymous letter with allegations regarding primarily personnel issues. The Governor's office issued investigation as discussed in detail on page 1 of written testimony (Attachment #1).

Issues including 1999 State Fair drawing, cash discrepancies at the State Fair, computer security, inappropriate materials on Lottery computers, compliance with Ethics Commission rules regarding holiday receptions were also discussed in great detail (Attachment #1 pp. 2-9)

Discussion of Agency's deficit operation and use of funds regarding advertising and Problem Gambling Grant Fund. Flowchart and county by county breakdown of projects funded from Lottery proceeds (Attachment #1 pp 16, 18-35)

Fiscal note (Attachment #2) on **HB 2038** was distributed to committee.

The committee meeting adjourned at 3:15 p.m. The next schedule meeting is January 18, 2001.

# HOUSE FEDERAL & STATE AFFAIRS COMMITTEE

## COMMITTEE GUEST LIST

DATE: 1-17-01

NAME	REPRESENTING
Glen Thompson	Stand Up For KS,
ED VAN PETTEN	LOTTERY
GARY SAVILLE	KANSAS LOTTERY
JERRY OLIVER	KANSAS LOTTERY
GARY HERMAN	KANSAS LOTTERY
Mary Brakster	KTEC
Dave Mackey	Kansas Lottery
Jim Neulog	" "
Tom Hoff	KSC
Keith Kocher	<del>K</del> Lottery
TRACY DIEI	SGA/KRGC
Michael White	Kearney Law Office
Jacob Swisher	Rep. Mary Cook
Neal Whitaker	KBWA



**Bill Graves**  
Governor

**Ed Van Petten**  
Executive Director

**TESTIMONY ON HOUSE BILL 2038**

**By: Ed Van Petten, Executive Director - Kansas Lottery**  
**January 17, 2001**

Mister Chair and Members of the Committee:

I appreciate the opportunity to address this committee and discuss issues that have arisen, and inform you of the actions taken to address the issues. I will do my best to address the issues in chronological order as they have occurred.

**Department of Administration Investigation.** Approximately one year ago, as a result of an anonymous letter addressed to the Lieutenant Governor and the Attorney General, the Legal Division of the Department of Administration was asked to spearhead a personnel investigation regarding allegations made in the anonymous correspondence. This was a personnel investigation, which was confidential in nature pursuant to K.S.A. 45-221(a)(4) and K.A.R. 1-13-1a(c). As you are aware, these provisions protect the confidentiality of employees sharing information during the course of the investigation, as well as anyone against whom disciplinary action is taken. One of the primary goals of the lottery administration is to protect the privacy of our employees.

The statements also referenced the potential for litigation. Therefore, any information contained in the files or reports generated is confidential in nature based upon the attorney-

1/17/2001 House Fed & State Affairs

client privilege. Even though a report purporting to be drafted by the Department of Administration was divulged, this matter is confidential. Based upon the investigation, disciplinary action was taken against a number of employees.

In addition, training was provided to all employees and supervisors at the Lottery to educate them regarding future behavior, and their rights and responsibilities regarding such behavior.

**Sales Promotions.** During the investigation by the Department of Administration, questions arose regarding the legality of some second-chance drawings being held at retail locations. The second-chance drawings were not lottery-sponsored. However, the retailers did involve lottery products. On very rare occasions, lottery employees were requested by the retailers to be present and they did comply, sometimes even assisting with the drawings. This practice was not found to be illegal. However, it was determined that if the practice was going to continue, that guidelines should be implemented. Guidelines were adopted on January 28, 2000, and to the best of my knowledge, have been fully complied with since that time.

**1999 State Fair Drawing.** In 1999, the Lottery conducted a drawing at the State Fair for a Buick Century. This was part of the celebration of the end of the century and the coming of the year 2000. In addition, there were drawings for twenty-one \$2,000 prizes, commemorating the year 2000 and the 21st century. A lottery employee placed the name of his brother-in-law on some discarded non-winning lottery tickets, and placed the tickets in the draw pool. The employee involved also drew the winning tickets, including one of the \$2,000 winning tickets with his brother-in-law's name placed thereon. The name was recognized immediately by lottery personnel and an investigation was conducted. The prize was declined by the brother-in-law, and



the prize was awarded to the first alternate in the drawing. As is lottery policy, any time there is a drawing for a substantial prize, a number of alternate winners are drawn sequentially in the event a winning player does not claim the prize, or in the event it is an improper entry.

Disciplinary action was taken in this situation, but as personnel matters are confidential, I cannot discuss the nature of the action taken any further.

**Cash Discrepancies at the State Fair.** There has also been some mention that there have been substantial cash shortages in the lottery operations at the State Fair. The Lottery owns a building at the Kansas State Fair with lottery employees selling tickets during the Fair. This year's sales at the Fair totaled \$171,261.

In 1997, there was a total cash shortage of \$5,014. Based upon that shortage, an audit was performed by a Topeka CPA firm which found that internal accounting controls were adequate, and any shortfalls had to result from, “. . . the occasional miscounting of cash as in giving change to a customer.” The auditor noted, “As in most retail environments, a perfect internal control system cannot prevent the occasional miscounting of cash.” Despite the audit's finding that there was no indication of theft or wrongdoing on the part of any employee or employees, recommendations were made and implemented to further assure that losses would be prevented. Again, in 1999, a different CPA firm was requested to audit the procedures followed at the State Fair by lottery staff. Subsequent to the audit, the report stated,

“We conclude that the shortage, while minimal in relation to sales, must be due to the normal cash loss that can be expected and is experienced in any cash sales business. This is especially true with activities at the Fair, where inexperienced

individuals are handling money, making complicated transactions, and are under constant pressure to rush due to the long lines.”

In 1999, the cash shortage for ticket sales at the State Fair fell to approximately one percent of the reported ticket sales during the fair. In the year 2000, this amount fell to \$565, which constitutes approximately 0.3 percent of the cash receipts above stated. All of the figures above-mentioned are well within the norms of businesses involved in the handling of cash. This, however, has not been good enough, and we feel that based upon the additional training received by lottery personnel staffing the lottery building at the Kansas State Fair, we have been able to further reduce the amount, as stated, for the year 2000.

**Altered Non-Winning Tickets.** In the month of March 2000, lottery security received a complaint regarding a seriously defaced winning lottery ticket. The report led to inquiries by the lottery security director, and ultimately a criminal investigation by the KBI. As has been widely reported, the investigation led to criminal charges, which are now pending. The District Court of Shawnee County, Kansas, has issued a gag order regarding the criminal case, and no further information can be released or discussed at this time.

**Computer Security.** Immediately upon being appointed by Governor Graves to serve as the Executive Director of the Kansas Lottery, I requested the assistance of the Department of Administration to analyze the computer security at the Kansas Lottery, and assist the Lottery in identifying any potential problems. After the Department of Administration analysis, I contracted with IBM to conduct a full security review. Sharon Combs, an AS/400 security expert, conducted a review beginning the second week of October 2000. On October 13, 2000, she gave a full report to Lottery and Department of Administration personnel, with

recommendations for implementation of additional security measures on the AS/400 production system. Even though recommendations were made for tightening security, it should be pointed out that the findings were that the system was not "wide open," meaning that any manipulation of the system would require a working knowledge of the Lottery's computer system and software.

Additional auditing software was purchased by the Lottery and installed, as well as software to prevent access into the gaming system from outside sources, for instance, PC's in the work area of the Kansas Lottery. Based upon the implementation of additional security features and the addition of auditing software, as well as the software safeguarding access from outside sources, the Kansas Lottery is now operating at a security level of "40." According to the IBM security code description, this level is designed, ". . . to protect both the system and the objects on the system from tampering by experienced system users." It should be noted that there are five levels of security on the AS/400 system. Those levels being level 10, level 20, level 30, level 40, and level 50. Level 50 is only recommended in situations that deal with highly confidential materials such as top-secret documents at the Department of Defense. It is not practical for the Kansas Lottery to operate at a security level 50, as the number of personnel needed to complete each job function increases dramatically.

At this point, although I cannot guarantee to the legislature that tampering will not occur on the computer system at the Kansas Lottery, I can guarantee that any tampering would be detected within an extremely short period of time.

**Deficit Operation.** There have been recent reports printed about "deficit operation" of the Lottery. The Kansas Lottery has operated at a loss for the last five years, with the operating loss for Fiscal Year 2000 being \$983,942, the largest of the five year deficits. Retained earnings

for the Kansas Lottery have dropped from approximately \$5.2 million five years ago to \$840,670 at the beginning of FY 2001.

Kansas law requires that the Lottery transfer 30 percent of net sales to the State Treasurer. In addition, since FY 1992, the legislature has mandated that the Kansas Lottery transfer \$17.5 million over and above the 30 percent transfer rate. Therefore, it is misleading to state that the Lottery has been operating at a deficit.

I have determined, however, that this trend cannot continue and have taken a number of steps to reduce the potential for deficit operations. We have determined that 0.56 percent additional payout on instant tickets, which was made in FY 2000, accounted for an additional \$1.2 million for cost-of-sales. This figure alone would offset the deficit operation for FY 2000. Therefore, by restructuring prize payments on instant games, substantial gain can be made regarding the operational budget of the Lottery.

We are also reviewing the operation of low-volume retailers who, in effect, are being subsidized by the Lottery in their operations. Certain low-volume retailers are paying more for telecommunication services and delivery of product than the retailers generate in sales revenue of lottery products. This is due to a number of reasons, but usually due to saturation of certain markets. The legislature should be aware that the state's 30 percent transfer is received by the State Treasurer on all sales, even in the event the operations costs exceed the benefit to the Kansas Lottery budget.

Based upon our present review of operations expenses, with the implementation of changes made in the last quarter, the Kansas Lottery is now operating in the *black* by a very narrow margin.

**Inappropriate Materials on Lottery Computers.** There have been two occasions in the last year when inappropriate materials have been discovered by lottery personnel on computers at the Kansas Lottery. The first event occurred on August 28, 2000, when the information technology division was installing security software on personal computers used in the Kansas Lottery. On that occasion, there was one computer that was used by the entire lottery staff to access the Kansas Lottery web page for updating draw information and making any other changes necessary.

In the course of installing software to enhance the security on the unit, a file was discovered that contained three sections with audio material, one of which was obscene in nature, and one section that contained video that was pornographic. The four sections in the file were reviewed by the human resources manager, the manager of the information technology unit, and myself. It was determined by the information technology unit that, due to the total lack of security on that particular unit, it would be impossible to determine who downloaded the information on the hard drive of the computer. It did appear that all of the information had been downloaded from a separate disk rather than from the Internet.

Based upon initial interviews, it was determined that eight employees in the Kansas Lottery were the primary users of the computer. These individuals were interviewed and none of them had personal knowledge of any of the inappropriate materials that had been downloaded onto the hard drive of the computer.

All inappropriate material was removed from the hard drive of the computer and maintained on a disk by the security division of the Kansas Lottery. The computer was then put back in service, and within one month security software had been installed that enabled the

auditing of each person having access to the computer. There has been no further mention of any of the materials that were found on August 28, 2000, until recent news accounts.

On September 28, 2000, inappropriate materials were found on a computer that was in the storage section of the Kansas Lottery information technology unit. This material was not pornographic in nature, however, was inappropriate. At that time, I directed the security division of the Kansas Lottery to investigate this matter.

The information in question was placed on the computer during 1996 and 1997, at a time when new software had been loaded onto the computer for the purpose of assisting graphic design. The investigation did not determine that any of the information was altered or manipulated during normal employment hours, and was done with the knowledge of all of the employees whose photographs were altered. The investigation did show that, while inappropriate, the actions were taken in an attempt to become more familiar with the editing software that had been placed on the computer. Personnel actions were taken regarding the inappropriate material. These inappropriate actions occurred approximately four years ago with the knowledge of other Lottery personnel. Employees involved were counseled in October 2000, regarding the appropriate use of Kansas Lottery resources.

The security investigation did show that the computer in question was entirely out of service since June 8, 2000, and had been used only intermittently for approximately one year before that.

Based upon these two findings, and the fear that Kansas Lottery computers had previously been used inappropriately, I requested that the Department of Administration, Division of Information Systems and Communications (DISC) conduct a full PC audit of all



PC's in the Kansas Lottery offices. This was done with two additional computers being found to have inappropriate materials on them. Again, personnel actions were taken with regard to these discoveries. At this time, it is my good faith belief that all employees in the Kansas Lottery have been fully instructed in the appropriate use of state-owned computer systems, and are compliant with those instructions.

**Holiday Receptions.** GTECH and I discussed holding holiday receptions for all employees. In checking with the Kansas Ethics Commission, we determined the receptions were appropriate.

## CURRENT ISSUES

### Demographic Studies:

The Kansas Lottery periodically contracts to have a demographic survey done to determine best methods of advertising and marketing. To determine marketing techniques, we determine who the typical Kansas Lottery player is. In 1997, the demographic survey showed that only 13.0 percent of people with an annual household income under \$15,000 regularly play the lottery. This number dropped to 6.0 percent for persons with a household income of \$15,000 to \$20,000. Compare that to 36.0 percent of the populous being regular players with a household income of \$20,000 to \$40,000, and 38.0 percent of the populous in the income bracket over \$40,000 being regular players. These numbers held true in a 1993 survey conducted also. Both surveys were conducted by Market Strategies, Inc., a Portland, Oregon, research firm. The numbers for occasional players in the lower income brackets were even lower than the figures for regular play. Statistics such as this suggest that the perception held by some individuals that the Lottery is an "unfair tax upon the poor" is not founded.

**Reasons for Renewal:**

Obviously, as stated by Governor Graves in his State of the State address, non-renewal of the Lottery will mean that the Kansas legislature must either replace approximately \$60 million of public money with tax revenue, cut spending by a like amount, or a combination of the two. Over the past several years, there can be no question that the Kansas Department of Commerce and Housing has successfully employed a system of enhancing economic development in this state that has increased the tax base, as well as providing numerous professional positions for young adults who have been provided their education in our colleges and universities. The funding of various initiatives through the Economic Development Initiatives Fund has provided benefits to this state that will not be known for years to come. Whether or not someone favors the operation of the Lottery, the benefits to this state in the form of providing job opportunities through funding made possible by the Kansas Lottery are obvious. Forty-two and a half million dollars was provided for these purposes in FY 2000, with the additional funds generated by the Lottery going to the Correctional Institutions Building Fund, Juvenile Detention Facilities Fund, and \$9.6 million going into the General Fund of the State of Kansas.

The operation of the Kansas Lottery generates payroll of over \$3 million, and with the payroll of GTECH, our online vendor, the Kansas-based payroll exceeds \$4 million. Commissions and bonuses paid to Kansas retailers were over \$11 million in FY 2000, averaging over \$6,000 per retailer. In addition, over \$104 million in prize payments were made to people playing the lottery in the State of Kansas. This is all taxable as Kansas source income. The beneficial economic impact is unquestioned.

I appreciate the opportunity to appear before this committee to provide information for your consideration. I also welcome inquiry at any time in the event you have additional questions or concerns. The one thing I can assure this committee is that I will devote all of my attention to preserving the integrity of the Kansas Lottery and providing the maximum transfer possible with responsible operation of your state agency.

## HOW ARE KANSAS LOTTERY PROCEEDS DISTRIBUTED?



In Fiscal Year 2000, 30 cents of every dollar spent on a Kansas Lottery ticket was transferred to the state of Kansas. The State Gaming Revenues Fund receives transfers from receipts generated by the Kansas Lottery and the Kansas Racing and Gaming Commission.

Transfers of up to \$50 million are made from the gaming fund according to the following breakdown:

- 85 percent – Economic Development Initiatives Fund
- 10 percent – Correctional Institutions Building Fund
- 5 percent – Juvenile Detention Facilities Fund

Transfers for these purposes are limited to \$50 million in a given fiscal year. Any receipts above that amount are transferred to the State General Fund.

The 2000 Legislature enacted laws establishing and funding the “Problem Gambling Grant Fund.” Effective July 1, 2000, \$100,000 is transferred into this fund. Of this amount, \$20,000 comes from the Bingo Regulation Fund and \$80,000 is paid out of the Gaming Revenues Fund, while the pari-mutuel racetracks contribute about 2 percent. The Kansas Department of Social and Rehabilitative Services will establish rules and regulations for the grant program, as well as administer the funds.

In Fiscal Year 2000, the Lottery transferred \$59,646,911 to the state of Kansas.

### ECONOMIC DEVELOPMENT INITIATIVES FUND DISTRIBUTION AS BUDGETED FOR FISCAL YEAR 2000

#### Department of Commerce and Housing

Small Business Development Centers .....	\$485,000
Certified Development Companies .....	\$475,000
Kansas Industrial Training/Retraining .....	\$3,600,000
Trade Show Promotion.....	\$150,000
Capacity Planning Grants .....	\$197,000
Tourism Promotion .....	\$952,100
Wichita World Trade Center .....	\$41,889
Training Equipment .....	\$300,000
Agriculture Product Development .....	\$540,000
Travel Information Centers .....	\$15,000
Economic Opportunity Initiatives Fund .....	\$5,000,000
Exciting Industry Expansion .....	\$800,000
Main Street Development Grants.....	\$216,800
Motion Picture/Television Tax Rebate .....	\$75,000
Operations.....	\$7,006,215
<b>Subtotal Commerce and Housing .....</b>	<b>\$19,854,004</b>



**ECONOMIC DEVELOPMENT INITIATIVES FUND FISCAL YEAR 2000**

**PAGE 2**

**Board of Regents**

Matching Grants – AVTS.....	\$200,000
Post-secondary Aid – AVTS .....	\$6,707,144
Capital Outlay – AVTS .....	\$2,000,000
<b>Subtotal Board of Regents.....</b>	<b>\$8,907,144</b>

**Kansas Technology Enterprise Corporation**

Research Matching Grant.....	\$1,260,000
Business Innovative Research Grants .....	\$516,000
Centers of Excellence.....	\$3,552,640
EPSCoR.....	\$3,200,000
Special Projects .....	\$79,303
Commercialization Grants.....	\$1,690,000
Mid-America Manufacturing Technology Center .....	\$1,797,338
Operations.....	\$1,338,486
<b>Subtotal KTEC .....</b>	<b>\$13,433,767</b>

**State Water Plan .....** \$2,000,000

**Kansas, Inc. ....** \$189,563

**Wildlife and Parks – Local Outdoor Recreation .....** \$500,000

**Eisenhower Museum Grant.....** \$300,000

**State Fair .....** \$35,000

**TOTAL Budgeted EDIF Expenditures – Fiscal Year 2000 .....** \$45,219,478

This report was taken from:  
*The Governor's Budget Report*; Volume 1; Recommendations and Budget Schedules: Fiscal Year 2001



# KANSAS LOTTERY

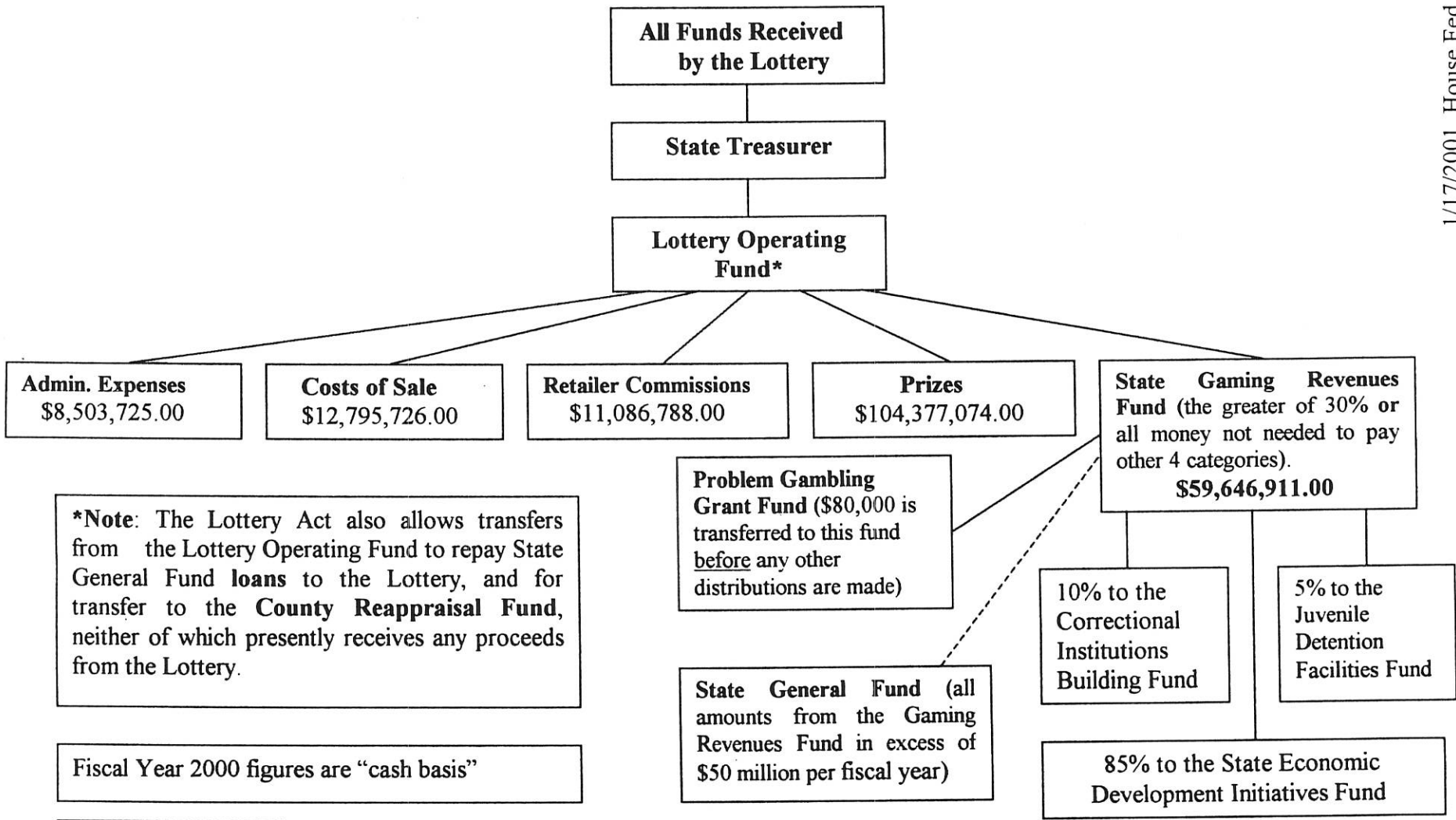
To Date Activity 12/31/00

<b>Net Sales</b>	<b>\$1,832,483,639</b>	<b>Game Prizes</b>	<b>\$950,436,116</b>
FY 88	\$65,804,532	FY 88	\$30,123,006
FY 89	68,188,022	FY 89	33,755,427
FY 90	64,530,640	FY 90	28,941,942
FY 91	70,206,003	FY 91	32,800,224
FY 92	77,147,506	FY 92	37,304,320
FY 93	114,499,165	FY 93	58,865,299
FY 94	152,292,802	FY 94	79,390,419
FY 95	177,074,245	FY 95	92,074,812
FY 96	182,113,628	FY 96	96,088,069
FY 97	185,356,681	FY 97	99,351,785
FY 98	192,017,310	FY 98	101,688,863
FY 99	198,920,985	FY 99	107,079,089
FY 2000	192,560,800	FY 2000	104,377,074
FY 2001	91,771,320	FY 2001	48,595,787
<b>Retailer Commissions</b>	<b>\$99,904,286</b>	<b>Transfers To State (Cash basis)</b>	<b>\$557,096,371</b>
FY 88	\$3,618,110	FY 88 *	\$11,343,321
FY 89	3,602,985	FY 89	24,500,950
FY 90	3,318,244	FY 90	19,259,917
FY 91	3,657,131	FY 91	19,453,470
FY 92	4,071,319	FY 92	27,147,019
FY 93	5,819,600	FY 93	32,629,372
FY 94	7,845,162	FY 94	47,888,013
FY 95	9,145,434	FY 95	53,246,818
FY 96	9,949,228	FY 96	58,114,547
FY 97	10,409,462	FY 97	56,658,134
FY 98	10,935,736	FY 98	60,304,388
FY 99	11,133,848	FY 99	59,333,464
FY 2000	11,086,788	FY 2000	59,646,911
FY 2001	5,311,239	FY 2001	27,570,047

\* Includes \$2,843,321 Loan & Interest Payback

\*\* FY 2001 is UNAUDITED \*\*

# KANSAS LOTTERY FUNDS TRANSFER FY 2000



**\*Note:** The Lottery Act also allows transfers from the Lottery Operating Fund to repay State General Fund loans to the Lottery, and for transfer to the **County Reappraisal Fund**, neither of which presently receives any proceeds from the Lottery.

Fiscal Year 2000 figures are "cash basis"

Revised 01-09-01

## Kansas Lottery 1997 Tracking Study

## Demographics

	Total	Non Players	Former Players	Active Players			
				Annual	Occasional	Regular	
<b>Age</b>							
18-29	18%	12%	15%	21%	19%	15%	
30-39	25%	23%	23%	27%	31%	21%	
40-54	30%	27%	30%	27%	30%	35%	
55 & up	29%	37%	30%	25%	19%	28%	
<b>Education</b>							
Some High School	6%	7%	4%	8%	4%	9%	
High School Graduate	32%	22%	30%	37%	33%	43%	
Some College	27%	23%	31%	25%	30%	26%	
College Degree or above	34%	47%	34%	31%	34%	22%	
<b>Income</b>							
Up to 15K	11%	11%	12%	17%	8%	13%	
15K up to 20K	7%	10%	5%	9%	4%	6%	
20K up to 40K	32%	26%	35%	25%	34%	36%	
40K or more	40%	37%	34%	40%	46%	38%	
<b>Gender</b>							
Male	50%	49%	44%	46%	51%	56%	
Female	50%	51%	57%	54%	49%	44%	

\* Figures may not equal 100% due to rounding.

- ⇒ Non-players are more likely than former players or active players to have a college degree or more.
- ⇒ Over half of regular players (55%) have annual incomes of less than \$40K; 38% have incomes of \$40K or more.
- ⇒ More males than females are regular players; more females than males are former players.
- ⇒ Regular players tend to be slightly older, less educated, and have a lower household income than occasional players.

Program	Business/Recipient	Amount	City
<b>Allen (AL)</b>			
Attraction Development Grant	Humboldt Historical Society, LLC	\$658	Humboldt
Attraction Development Grant	Humboldt Historic Days Committee	\$2,180	Humboldt
<i>Allen County Total</i>		<u>\$2,838</u>	
<b>Anderson (AN)</b>			
Attraction Development Grant	Gerth Cabin Preservation (AN County Pres. Soc.)	\$5,000	Greeley
<i>Anderson County Total</i>		<u>\$5,000</u>	
<b>Atchison (AT)</b>			
Kansas Trade Show Assistance Prog.	Midwest Grain Products, Inc.	\$1,500	Atchison
Training Equipment Grant	Northeast Kansas Area Technical School	\$46,896	Atchison
<i>Atchison County Total</i>		<u>\$48,396</u>	
<b>Barber (BA)</b>			
Kansas Industrial Retraining	Radiofrequency Safety International Corp.	\$3,130	Kiowa
Kansas Industrial Training	Radiofrequency Safety International Corp.	\$8,290	Kiowa
<i>Barber County Total</i>		<u>\$11,420</u>	
<b>Bourbon (BB)</b>			
Ag. Products Development	Rainbow Organic Farms	\$58,800	Bourbon Co.
Incentives Without Walls (Main Street)	Downtown Fort Scott Program	\$15,000	Fort Scott
Kansas Industrial Training	Tower Metal Products LP	\$15,000	Fort Scott
Kansas Industrial Training	Great-West Life & Annuity Insurance Co.	\$65,000	Fort Scott
KS Econ. Opportunity Initiatives Fund	Nu Alpha	\$100,000	Ft. Scott
<i>Bourbon County Total</i>		<u>\$253,800</u>	
<b>Brown (BR)</b>			
Community Capacity Building	City of Sabetha	\$15,000	Sabetha
<i>Brown County Total</i>		<u>\$15,000</u>	

1/17/2001 House Fed & State Affairs Attachment 1 - 18

ansas Department of Commerce Housing

Program	Business/Recipient	Amount	City
<b>Barton (BT)</b>			
Attraction Development Grant	Great Bend Holiday Spirit	\$20,000	Great Bend
Kansas Trade Show Assistance Prog.	T&C Mfg & Operating, Inc.	\$1,199	Great Bend
Kansas Trade Show Assistance Prog.	Little Giant Fittings Co.	\$1,154	Great Bend
<i>Barton County Total</i>		<u>\$22,353</u>	
<b>Butler (BU)</b>			
Community Capacity Building	Butler County	\$10,000	El Dorado
<i>Butler County Total</i>		<u>\$10,000</u>	
<b>Cloud (CD)</b>			
Attraction Development Grant	Glasco Community Foundation	\$12,000	Glasco
Community Capacity Building	City of Clyde	\$10,000	Clyde
<i>Cloud County Total</i>		<u>\$22,000</u>	
<b>Coffey (CF)</b>			
Kansas Industrial Training	Rock Creek Woodworks	\$20,000	Lebo
<i>Coffey County Total</i>		<u>\$20,000</u>	
<b>Cherokee (CK)</b>			
Kansas Industrial Retraining	Jayhawk Fine Chemicals Corporation	\$80,000	Galena
Kansas Industrial Retraining	Ingersoll-Randall Waterjet Systems	\$37,824	Baxter Springs
Kansas Industrial Training	Jayhawk Fine Chemicals Corporation	\$25,000	Galena
Kansas Industrial Training	Columbus Custom Molding, Inc.	\$8,400	Columbus
<i>Cherokee County Total</i>		<u>\$151,224</u>	

1/17/2001 House Fed & State Affairs  
Attachment 1 - 19

ansas Department of Commerce Housing

Program	Business/Recipient	Amount	City
<b>Cowley (CL)</b>			
Incentives Without Walls (Main Street)	Winfield Main Street	\$5,744	Winfield
Incentives Without Walls (Main Street)	Winfield Main Street	\$3,000	Winfield
Kansas Industrial Retraining	Rubbermaid HPD	\$100,000	Winfield
Kansas Industrial Training	Good Time Productions, Inc.	\$20,000	Arkansas City
Kansas Industrial Training	Energy Plus (dba Strother Mfg.)	\$20,000	Winfield
Kansas Industrial Training	Central Plains Book Mfg.	\$75,000	Winfield
KS Existing Industry Expansion Prog.	Goodtime Productions	\$10,250	Arkansas City
<i>Cowley County Total</i>		<u>\$233,994</u>	
<b>Chautauqua (CQ)</b>			
Attraction Development Grant	Armstrong, Donald Norman	\$42,920	Sedan
<i>Chautauqua County Total</i>		<u>\$42,920</u>	
<b>Crawford (CR)</b>			
KS Econ. Opportunity Initiatives Fund	Innovative Marketing	\$50,000	Pittsburg
Certified Development Company	Mid America Incorporated	\$74,039	Pittsburg
Kansas Industrial Retraining	Able Body Corporation	\$48,932	Pittsburg
Small Business Development Ctr.	Pittsburg State University	\$37,682	Pittsburg
<i>Crawford County Total</i>		<u>\$210,653</u>	
<b>Chase (CS)</b>			
Attraction Development Grant	Homestead Ranch Guest Programs, LLC	\$4,633	Matfield Green
<i>Chase County Total</i>		<u>\$4,633</u>	
<b>Douglas (DG)</b>			
Ag. Products Development	Pines International	\$48,238	Lawrence
Attraction Development Grant	Lawrence Arts Center, Inc.	\$25,000	Lawrence
Certified Development Company	Wakarusa Valley Development	\$15,382	Lawrence
Foods and Feeds	Central Soyfoods	\$50,000	Lawrence
Kansas Industrial Retraining	Allen Press, Inc.	\$60,000	Lawrence
Kansas Industrial Training	Premier Capital	\$50,000	Lawrence
Kansas Industrial Training	Allen Press, Inc.	\$65,000	Lawrence

1/17/2001 House Fed & State Affairs  
Attachment 1 - 20



Program	Business/Recipient	Amount	City
<b>Douglas (continued)</b>			
Kansas Trade Show Assistance Prog.	Sunlite Science & Technology	\$1,099	Lawrence
Kansas Trade Show Assistance Prog.	Oasis Truck Conversions	\$700	Lawrence
Kansas Trade Show Assistance Prog.	Kantronics Company, Inc.	\$1,500	Lawrence
Kansas Trade Show Assistance Prog.	Iris Technologies, LLC	\$1,500	Lawrence
Kansas Trade Show Assistance Prog.	Iris Technologies, LLC	\$1,075	Lawrence
Kansas Trade Show Assistance Prog.	Iris Technologies, LLC	\$425	Lawrence
Kansas Trade Show Assistance Prog.	Carrousel Trading Co.	\$1,375	Lawrence
Kansas Trade Show Assistance Prog.	Backroads Data	\$379	Baldwin City
KS Econ. Opportunity Initiatives Fund	University of Kansas Center for Research	\$100,000	Lawrence
KS Econ. Opportunity Initiatives Fund	Clinton Lake Resort	\$464,500	Lawrence
KS Econ. Opportunity Initiatives Fund	Clinton Lake Resort	\$10,500	Lawrence
Small Business Development Ctr.	University of Kansas	\$28,374	Lawrence
<i>Douglas County Total</i>		<u>\$925,047</u>	
<b>Dickinson (DK)</b>			
Kansas Trade Show Assistance Prog.	Roof Mart International	\$2,500	Chapman
Kansas Trade Show Assistance Prog.	Quality Power Products, Inc.	\$3,500	Abilene
	Sports Hall of Fame	\$50,000	Abilene
	Eisenhower Center	\$300,000	Abilene
<i>Dickinson County Total</i>		<u>\$356,000</u>	
<b>Edwards (ED)</b>			
Community Capacity Building	City of Kinsley	\$15,000	Kinsley
<i>Edwards County Total</i>		<u>\$15,000</u>	
<b>Ellis (EL)</b>			
KS Econ. Opportunity Initiatives Fund	Contact America	\$40,000	Victoria
Attraction Development Grant	Society of Friends of Historic Fort Hays	\$1,123	Hays
Attraction Development Grant	Hays CVB	\$10,080	Hays
Kansas Industrial Training	Contact America Inc.	\$65,000	Victoria
Small Business Development Ctr.	Fort Hays State University	\$33,538	Hays
<i>Ellis County Total</i>		<u>\$149,741</u>	

1/17/2001 House Fed & State Affairs Attachment 1 - 21

Program	Business/Recipient	Amount	City
<b>Finney (FI)</b>			
Small Business Development Ctr.	Garden City Community College	\$28,981	Garden City
Training Equipment Grant	Garden City Community College	\$52,452	Garden City
<i>Finney County Total</i>		<u>\$81,433</u>	
<b>Ford (FO)</b>			
Attraction Development Grant	Boot Hill Repetory Company, Inc.	\$67,123	Dodge City
Attraction Development Grant	Boot Hill Museum, Inc.	\$50,000	Dodge City
Certified Development Company	Great Plains Development Inc	\$31,172	Dodge City
Kansas Industrial Retraining	Curtis Machine Company, Inc.	\$62,045	Dodge City
Kansas Trade Show Assistance Prog.	Curtis Machine Company, Inc.	\$1,905	Dodge City
Kansas Trade Show Assistance Prog.	Curtis Machine Company, Inc.	\$1,205	Dodge City
<i>Ford County Total</i>		<u>\$213,450</u>	
<b>Franklin (FR)</b>			
KS Econ. Opportunity Initiatives Fund	American Eagle	\$350,000	Ottawa
Attraction Development Grant	Franklin County Convention & Tourism Bureau	\$2,000	Ottawa
Kansas Industrial Training	EFTC	\$5,876	Ottawa
KS Existing Industry Expansion Prog.	Heartland China, Inc.	\$50,000	Ottawa
<i>Franklin County Total</i>		<u>\$407,876</u>	
<b>Geary (GE)</b>			
KS Existing Industry Expansion Prog.	Venator Group	\$35,000	Junction City
Attraction Development Grant	City of Junction City	\$40,000	Junction City
Kansas Industrial Training	Genmar Manufacturing of Kansas	\$75,000	Junction City
<i>Geary County Total</i>		<u>\$150,000</u>	
<b>Graham (GH)</b>			
Attraction Development Grant	Morland Community Foundation, Inc.	\$12,850	Morland
Certified Development Company	Pioneer Country Development	\$29,853	Hill City
<i>Graham County Total</i>		<u>\$42,703</u>	

1/17/2001 House Fed & State Affairs  
Attachment 1 - 22

Program	Business/Recipient	Amount	City
<b>Gove (GO)</b>			
Kansas Industrial Retraining	Hober Reed Inc. (dba Swift Bullet Company)	\$1,755	Quinter
<i>Gove County Total</i>		<u>\$1,755</u>	
<b>Harvey (HV)</b>			
Kansas Industrial Retraining	Hay & Forage Industries	\$82,000	Hesston
Kansas Industrial Training	Hay & Forage Industries	\$80,000	Hesston
Kansas Trade Show Assistance Prog.	Unruh Fabricators, Inc.	\$1,500	Sedgwick
Kansas Trade Show Assistance Prog.	Gourmet Chocolate, Inc.	\$1,332	Halstead
Kansas Trade Show Assistance Prog.	Gourmet Chocolate, Inc.	\$1,137	Halstead
Kansas Trade Show Assistance Prog.	Continental Agra Equipment, Inc.	\$1,190	Newton
KS Econ. Opportunity Initiatives Fund	Nelson Company	\$20,000	Walton
<i>Harvey County Total</i>		<u>\$187,159</u>	
<b>Jackson (JA)</b>			
Attraction Development Grant	Jackson County Tourism Council	\$2,400	Holton
Community Capacity Building	City of Holton	\$15,000	Holton
<i>Jackson County Total</i>		<u>\$17,400</u>	
<b>Jefferson (JF)</b>			
Kansas Trade Show Assistance Prog.	Quadri, Inc.	\$1,500	Perry
<i>Jefferson County Total</i>		<u>\$1,500</u>	
<b>Johnson (JO)</b>			
Ag. Products Development	Gourmet Ethnic Breads	\$12,000	Overland Park
KS Existing Industry Expansion Prog.	Clinical Reference Laboratories	\$100,000	Lenexa
Attraction Development Grant	Shawnee Area Chamber of Commerce/CVB	\$6,939	Shawnee
Attraction Development Grant	City of Overland Park	\$12,000	Overland Park
Kansas Industrial Retraining	Waddell & Reed Financial, Inc.	\$61,143	Overland Park
Kansas Industrial Retraining	Midland Research Labs	\$8,250	Shawnee Mission
Kansas Industrial Retraining	Eiko, Ltd.	\$12,600	Shawnee
Kansas Industrial Retraining	Computer Concepts Corporation	\$46,674	Lenexa
Kansas Industrial Retraining	CGU/AGRI Insurance	\$57,000	Lenexa

1/17/2001 House Fed & State Affairs  
Attachment 1 - 23

Program	Business/Recipient	Amount	City
<b>Johnson (continued)</b>			
Kansas Industrial Retraining	Bayer Corporation-Animal Health	\$100,000	Shawnee
Kansas Industrial Training	SKC Electric, Inc.	\$75,000	Lenexa
Kansas Industrial Training	Schlumberger, RMS	\$56,000	Lenexa
Kansas Industrial Training	PRG, Inc.	\$63,781	Lenexa
Kansas Industrial Training	Peripheral Vision Infosystem, Inc.	\$40,000	Overland Park
Kansas Industrial Training	LabOne, Inc.	\$40,000	Lenexa
Kansas Industrial Training	Kraft Tool Company	\$24,500	Shawnee Mission
Kansas Industrial Training	FMH Benefit Services, Inc.	\$20,000	Shawnee Mission
Kansas Industrial Training	Field House, Inc.	\$16,021	Overland Park
Kansas Industrial Training	Emery Expedite, Inc.	\$86,000	Overland Park
Kansas Industrial Training	Dimensional Innovations, Inc.	\$160,000	Overland Park
Kansas Industrial Training	Clinical Reference Laboratory	\$10,000	Lenexa
Kansas Industrial Training	ChoicePoint	\$45,000	Overland Park
Kansas Industrial Training	cGMP Validation L.L.C.	\$28,000	Mission
Kansas Industrial Training	AAFP Foundation	\$10,671	Leawood
Kansas Industrial Training	AAFP (American Academy of Family Physicians)	\$145,110	Leawood
Kansas Industrial Training	A D Jacobson Holding Co., Inc.	\$80,000	Lenexa
Kansas Trade Show Assistance Prog.	XLR8R, LLC	\$2,193	Overland Park
Kansas Trade Show Assistance Prog.	Vitalograph, Inc.	\$3,000	Lenexa
Kansas Trade Show Assistance Prog.	Vitalograph, Inc.	\$1,040	Lenexa
Kansas Trade Show Assistance Prog.	Traq-It, Inc.	\$1,500	Overland Park
Kansas Trade Show Assistance Prog.	Traq-It, Inc.	\$1,500	Overland Park
Kansas Trade Show Assistance Prog.	Smith & Loveless, Inc.	\$1,500	Lenexa
Kansas Trade Show Assistance Prog.	Seasons Clock Systems	\$1,150	Shawnee
Kansas Trade Show Assistance Prog.	Osborn Laboratories	\$1,650	Olathe
Kansas Trade Show Assistance Prog.	Norair Equipment Corporation	\$2,080	Overland Park
Kansas Trade Show Assistance Prog.	Norair Equipment Corporation	\$1,200	Overland Park
Kansas Trade Show Assistance Prog.	Mr. Goodcents	\$925	Lenexa
Kansas Trade Show Assistance Prog.	MotionWatch	\$871	Lenexa
Kansas Trade Show Assistance Prog.	Miner Technologies, Inc.	\$1,500	Shawnee Mission
Kansas Trade Show Assistance Prog.	Leawood Export Finance, Inc.	\$3,036	Leawood
Kansas Trade Show Assistance Prog.	Hawkeye International	\$1,225	Shawnee Mission

1/17/2001 House Fed & State Affairs Attachment 1 - 24

Program	Business/Recipient	Amount	City
<b>Johnson (continued)</b>			
Kansas Trade Show Assistance Prog.	Creative Brushes	\$1,500	Shawnee Mission
Kansas Trade Show Assistance Prog.	Biomune Co.	\$3,500	Shawnee Mission
Kansas Trade Show Assistance Prog.	Applied Reasoning	\$3,500	Overland Park
Kansas Trade Show Assistance Prog.	Applied Reasoning	\$1,500	Overland Park
KS Econ. Opportunity Initiatives Fund	Transportation.com	\$100,000	Overland Park
KS Econ. Opportunity Initiatives Fund	Specialized Packaging Co.	\$25,000	Lenexa
KS Econ. Opportunity Initiatives Fund	Rehrig Pacific	\$40,000	DeSoto
KS Econ. Opportunity Initiatives Fund	Mayer, Hoffman, & McCann	\$300,000	Johnson Co.
KS Econ. Opportunity Initiatives Fund	Martin Dawes Systems	\$275,000	Overland Park
KS Econ. Opportunity Initiatives Fund	Lockton Companies	\$350,000	Jo. Co.
KS Econ. Opportunity Initiatives Fund	Interstate Bakeries	\$175,000	Lenexa
KS Econ. Opportunity Initiatives Fund	GeoAccess	\$350,000	Lenexa
KS Econ. Opportunity Initiatives Fund	Farmers Insurance	\$400,000	Olathe
KS Econ. Opportunity Initiatives Fund	Diversified Consulting Resources, Inc.	\$40,000	Overland Park
KS Econ. Opportunity Initiatives Fund	Daimler Chrysler	\$125,000	Johnson Co.
KS Econ. Opportunity Initiatives Fund	CFS West Foods	\$100,000	New Century
KS Econ. Opportunity Initiatives Fund	Cellnet Data Svcs.	\$50,000	Lenexa
KS Econ. Opportunity Initiatives Fund	Butler Manufacturing	\$500,000	Johnson Co.
KS Econ. Opportunity Initiatives Fund	AmeriServe Food Distribution, Inc. (Software)	\$100,000	Lenexa
Metro. Community Capacity Building	Johnson County	\$20,000	Olathe
Metro. Community Capacity Building	City of Edgerton	\$25,000	Edgerton
Small Business Development Ctr.	Johnson County Community College	\$45,913	Overland Park
<i>Johnson County Total</i>		\$4,371,972	
<b>Kingman (KM)</b>			
Attraction Development Grant	Santa Fe Depot Foundation	\$5,000	Kingman
<i>Kingman County Total</i>		\$5,000	

1/17/2001 House Fed & State Affairs Attachment 1 - 25

Program	Business/Recipient	Amount	City
<b>Labette (LB)</b>			
Attraction Development Grant	City of Parsons	\$20,000	Parsons
Kansas Trade Show Assistance Prog.	Taylor Products Company, Inc.	\$3,500	Parsons
Kansas Trade Show Assistance Prog.	Taylor Products Company, Inc.	\$1,847	Parsons
Kansas Trade Show Assistance Prog.	Renegade Tool, LLC	1500	Parsons
Kansas Trade Show Assistance Prog.	Renegade Tool, LLC	\$1,500	Parsons
Kansas Trade Show Assistance Prog.	Power Flame, Inc.	\$3,132	Parsons
KS Econ. Opportunity Initiatives Fund	Labette County State Bank	\$170,000	Altamont
<i>Labette County Total</i>		<u>\$201,479</u>	
<b>Leavenworth (LV)</b>			
Attraction Development Grant	Rocks, Inc. Fort Leavenworth Chapter	\$50,000	Fort Leavenworth
Incentives Without Walls (Main Street)	Leavenworth Main Street	\$10,338	Leavenworth
Incentives Without Walls (Main Street)	Leavenworth Main Street	\$4,663	Leavenworth
<i>Leavenworth County Total</i>		<u>\$65,001</u>	
<b>Lyon (LY)</b>			
Attraction Development Grant	Emporia Granada Theatre Alliance	\$20,600	Emporia
Certified Development Company	Eastern Kansas Economic Development Corp	\$95,356	Emporia
Incentives Without Walls (Main Street)	Emporia Main Street	\$15,000	Emporia
Kansas Industrial Retraining	VekteK, Inc.	\$52,546	Emporia
Kansas Industrial Retraining	Detroit Diesel Remanufactruing-Central	\$13,750	Emporia
Kansas Industrial Training	VekteK, Inc.	\$18,000	Emporia
KS Econ. Opportunity Initiatives Fund	Norfolk Iron & Metal	\$75,000	Emporia
KS Econ. Opportunity Initiatives Fund	City of Emporia	\$100,000	Emporia
Small Business Development Ctr.	Emporia State University	\$19,526	Emporia
<i>Lyon County Total</i>		<u>\$409,778</u>	
<b>Mitchell (MC)</b>			
Kansas Industrial Retraining	Sunflower Manufacturing Company, Inc.	\$45,000	Beloit
<i>Mitchell County Total</i>		<u>\$45,000</u>	

1/17/2001 House Fed & State Affairs  
Attachment 1 - 26



Program	Business/Recipient	Amount	City
<b>Meade (ME)</b>			
Attraction Development Grant	Meade County Historical Society	\$6,928	Meade
<i>Meade County Total</i>		<u>\$6,928</u>	
<b>Montgomery (MG)</b>			
Incentives Without Walls (Main Street)	Independence Main Street	\$11,500	Independence
Incentives Without Walls (Main Street)	Independence Main Street	\$5,000	Independence
Incentives Without Walls (Main Street)	Independence Main Street	\$2,200	Independence
Incentives Without Walls (Main Street)	Independence Main Street	\$2,000	Independence
Kansas Industrial Retraining	Charloma, Inc.	\$23,916	Cherryvale
Kansas Industrial Training	Farmland Industries, Inc.	\$95,000	Coffeyville
Kansas Industrial Training	Charloma, Inc.	\$20,000	Cherryvale
KS Econ. Opportunity Initiatives Fund	Amazon.com	\$500,000	Coffeyville
KS Existing Industry Expansion Prog.	Charloma, Inc.	\$150,000	Cherryvale
<i>Montgomery County Total</i>		<u>\$809,616</u>	
<b>Miami (MI)</b>			
Kansas Trade Show Assistance Prog.	Louisburg Cider Mill, Inc.	\$1,521	Louisburg
Kansas Trade Show Assistance Prog.	DG Industries	\$3,500	Paola
<i>Miami County Total</i>		<u>\$5,021</u>	
<b>Marion (MN)</b>			
Kansas Industrial Retraining	Marion Manufacturing, Inc.	\$11,649	Marion
Kansas Trade Show Assistance Prog.	Marion Manufacturing, Inc.	\$1,231	Marion
Kansas Trade Show Assistance Prog.	Hillsboro Industries Inc.	\$1,015	Hillsboro
<i>Marion County Total</i>		<u>\$13,895</u>	
<b>McPherson (MP)</b>			
Attraction Development Grant	McPherson Opera House Preservation Company	\$28,000	McPherson
Attraction Development Grant	Kansas Sampler Foundation	\$3,200	Inman
Attraction Development Grant	Friends of Maxwell, Inc.	\$23,200	Canton
Incentives Without Walls (Main Street)	McPherson Main Street	\$15,000	McPherson
Incentives Without Walls (Main Street)	McPherson Main Street	\$9,911	McPherson

1/17/2001 House Fed & State Affairs Attachment 1 - 27

Program	Business/Recipient	Amount	City
<b>McPherson (continued)</b>			
Kansas Industrial Retraining	Vanguard Industries	\$46,291	McPherson
Kansas Industrial Retraining	American Maplan Corporation	\$52,500	McPherson
Kansas Industrial Training	American Maplan Corporation	\$22,500	McPherson
<i>McPherson County Total</i>		<u>\$200,602</u>	
<b>Morris (MR)</b>			
Kansas Industrial Retraining	Custom Sheet and Steel Fabricators, Inc.	\$8,000	Council Grove
<i>Morris County Total</i>		<u>\$8,000</u>	
<b>Marshall (MS)</b>			
KS Existing Industry Expansion Prog.	Liberty, Inc.	\$65,000	Waterville
<i>Marshall County Total</i>		<u>\$65,000</u>	
<b>Neosho (NO)</b>			
Attraction Development Grant	Carlson Brothers Farms, Inc.	\$10,091	Chanute
Incentives Without Walls (Main Street)	Main Street Chanute	\$8,563	Chanute
<i>Neosho County Total</i>		<u>\$18,654</u>	
<b>Norton (NT)</b>			
Kansas Industrial Retraining	Natoma Corporation	\$28,972	Norton
<i>Norton County Total</i>		<u>\$28,972</u>	
<b>Osborne (OB)</b>			
Attraction Development Grant	City of Downs	\$4,000	Downs
<i>Osborne County Total</i>		<u>\$4,000</u>	
<b>Osage (OS)</b>			
Community Capacity Building	Osage County	\$5,000	Lyndon
<i>Osage County Total</i>		<u>\$5,000</u>	

1/17/2001 House Fed & State Affairs Attachment 1 - 28

Program	Business/Recipient	Amount	City
<b>Ottawa (OT)</b>			
Incentives Without Walls (Main Street)	Minneapolis Main Street	\$15,000	Minneapolis
<i>Ottawa County Total</i>		<u>\$15,000</u>	
<b>Pottawatomie (PT)</b>			
Ag. Products Development	Advanced Market Concepts	\$19,000	Pottawatomie Co.
Incentives Without Walls (Main Street)	Wamego Main Street	\$3,200	Wamego
<i>Pottawatomie County Total</i>		<u>\$22,200</u>	
<b>Rice (RC)</b>			
Community Capacity Building	Rice County	\$12,000	Lyons
Incentives Without Walls (Main Street)	Main Street Sterling	\$14,633	Sterling
Incentives Without Walls (Main Street)	Main Street Sterling	\$5,944	Sterling
Kansas Industrial Retraining	Jim's Machine Shop	\$8,642	Lyons
Kansas Trade Show Assistance Prog.	Four Fish Productions, LLC	\$500	Little River
<i>Rice County Total</i>		<u>\$41,719</u>	
<b>Riley (RL)</b>			
Ag. Products Development	Kansas State University	\$600	Manhattan
Attraction Development Grant	Meet in Kansas Marketing Alliance	\$15,000	Manhattan
Attraction Development Grant	Manhattan Convention and Visitors Bureau	\$4,400	Manhattan
Attraction Development Grant	Friends of Konza Prairie	\$27,850	Manhattan
Community Capacity Building	City of Manhattan	\$10,000	Manhattan
Foods and Feeds	Kansas State University	\$69,750	Manhattan
Foods and Feeds	Kansas State University	\$6,000	Manhattan
Foods and Feeds	Kansas State University	\$17,500	Manhattan
Incentives Without Walls (Main Street)	Manhattan Main Street	\$5,000	Manhattan
Kansas Industrial Retraining	Kansas State University	\$2,050	Manhattan
Kansas Industrial Training	It's Greek to Me	\$9,000	Manhattan
Kansas Industrial Training	Farrar Corporation	\$35,000	Manhattan
Kansas Trade Show Assistance Prog.	ICE Corporation	\$3,325	Manhattan
Kansas Trade Show Assistance Prog.	Abbott Workholding Products	\$3,500	Manhattan
KS Econ. Opportunity Initiatives Fund	Trasportation Design & Manufacturing	\$300,000	Manhattan

1/17/2001 House Fed & State Affairs Attachment 1 - 29

Program	Business/Recipient	Amount	City
<b>Riley (continued)</b>			
KS Existing Industry Expansion Prog.	Quaker Oats Co.	\$50,181	Manhattan
KS Existing Industry Expansion Prog.	Paragon Technology	\$70,000	Manhattan
KS Existing Industry Expansion Prog.	Manko Window Systems, Inc.	\$100,000	Manhattan
KS Existing Industry Expansion Prog.	Liberty, Inc.	\$65,000	Riley County
Small Business Development Ctr.	Kansas State University	\$36,851	Manhattan
<i>Riley County Total</i>		<u>\$831,007</u>	
<b>Reno (RN)</b>			
Attraction Development Grant	Kansas Cosmosphere and Space Center	\$100,000	Hutchinson
Community Capacity Building	Downtown Hutchinson, Inc.	\$15,000	Hutchinson
Incentives Without Walls (Main Street)	Hutchinson Downtown Development	\$15,000	Hutchinson
Incentives Without Walls (Main Street)	Hutchinson Downtown Development	\$15,000	Hutchinson
Kansas Industrial Retraining	Eaton Corporation	\$39,350	Hutchinson
Kansas Trade Show Assistance Prog.	Weigh-Right, Inc.	\$1,706	South Hutchinson
Kansas Trade Show Assistance Prog.	Weigh-Right, Inc.	\$740	South Hutchinson
KS Econ. Opportunity Initiatives Fund	Teleperformance USA	\$25,000	Hutchinson
KS Econ. Opportunity Initiatives Fund	Eaton Corp.	\$100,000	Hutchinson
Training Equipment Grant	Hutchinson Community College	\$24,706	Hutchinson
<i>Reno County Total</i>		<u>\$336,502</u>	
<b>Rooks (RO)</b>			
Attraction Development Grant	Stockton Theatre Committee-Nova Theatre	\$25,000	Stockton
Kansas Trade Show Assistance Prog.	Paradise Creek	\$1,209	Plainville
<i>Rooks County Total</i>		<u>\$26,209</u>	
<b>Republic (RP)</b>			
Ag. Products Development	Valley Vegetable Producers Coop.	\$90,000	Scandia
Community Capacity Building	City of Belleville	\$15,000	Belleville
KS Econ. Opportunity Initiatives Fund	Valley Vegetable Producers Coop.	\$20,000	Scandia
<i>Republic County Total</i>		<u>\$125,000</u>	

1/17/2001 House Fed & State Affairs Attachment 1 - 30

Program	Business/Recipient	Amount	City
<b>Russell (RS)</b>			
Attraction Development Grant	Russell County Historical Society	\$25,000	Russell
Incentives Without Walls (Main Street)	Russell Main Street	\$15,000	Russell
Kansas Trade Show Assistance Prog.	LoMar Bowling Supply	\$1,500	Russell
<i>Russell County Total</i>		<u>\$41,500</u>	
<b>Saline (SA)</b>			
KS Econ. Opportunity Initiatives Fund	Aerospace Systems & Tech	\$50,000	Salina
Attraction Development Grant	Kansas Adventures Times III	\$2,400	Salina
Attraction Development Grant	Historic Fox Theatre of Salina Foundation, Inc.	\$42,107	Salina
Community Capacity Building	Saline County	\$15,000	Salina
Foods and Feeds	Whispering Cottonwood Farm	\$1,200	Salina
Foods and Feeds	Whispering Cottonwood Farm	\$1,200	Salina
Foods and Feeds	M.L. & CLETA ROBERTS dba/ROBERTS SEEDS	\$55,000	New Cambria
Incentives Without Walls (Main Street)	Salina Downtown, Inc.	\$15,000	Salina
Incentives Without Walls (Main Street)	Salina Downtown, Inc	\$15,000	Salina
Kansas Industrial Training	Kasa Industrial Controls, Inc.	\$33,900	Salina
Kansas Industrial Training	El Dorado National	\$70,000	Salina
Kansas Trade Show Assistance Prog.	Great Plains Manufacturing Inc.	\$3,500	Salina
Kansas Trade Show Assistance Prog.	Eagle Software. Inc.	\$2,011	Salina
Kansas Trade Show Assistance Prog.	Callabresi Combustion Systems, Inc.	\$1,500	Salina
Small Business Development Ctr.	Salina Area Chamber of Commerce	\$19,673	Salina
<i>Saline County Total</i>		<u>\$327,491</u>	
<b>Scott (SC)</b>			
Attraction Development Grant	Scott County Historical Society	\$48,533	Scott City
<i>Scott County Total</i>		<u>\$48,533</u>	
<b>Stafford (SF)</b>			
Incentives Without Walls (Main Street)	St. John Main Street	\$15,000	St. John
<i>Stafford County Total</i>		<u>\$15,000</u>	

1/17/2001 House Fed & State Affairs Attachment 1 - 31

Program	Business/Recipient	Amount	City
<b>Sedgwick (SG)</b>			
Ag. Products Development	Millennium Plasting Wood	\$22,000	Sedgwick Co.
Attraction Development Grant	Wichita Baseball, Inc.	\$4,200	Wichita
Attraction Development Grant	Sedgwick County Zoological Society, Inc.	\$40,000	Wichita
Attraction Development Grant	Historic Wichita-Sedgwick County, Inc	\$50,000	Wichita
Certified Development Company	South Central Kansas Econ. Development Dist.	\$137,022	Wichita
Kansas Industrial Retraining	Wichita Electric JATC	\$57,000	Wichita
Kansas Industrial Retraining	McCormick-Armstrong Co., Inc.	\$100,000	Wichita
Kansas Industrial Retraining	Home Oil Company, Inc.	\$14,745	Wichita
Kansas Industrial Retraining	Hayes Company, Inc.	\$60,000	Wichita
Kansas Industrial Retraining	Hampel Oil Distributors, Inc.	\$12,375	Wichita
Kansas Industrial Retraining	Air Capital Plating, Inc.	\$45,000	Wichita
Kansas Industrial Retraining	Aerospace Systems & Components, Inc.	\$33,006	Wichita
Kansas Industrial Training	Proxy Communications, Inc.	\$100,000	Wichita
Kansas Industrial Training	AmeriServe Food Distribution, Inc.	\$36,920	Wichita
Kansas Trade Show Assistance Prog.	Wilco, Inc.	\$1,332	Wichita
Kansas Trade Show Assistance Prog.	Wilco, Inc.	\$966	Wichita
Kansas Trade Show Assistance Prog.	Unique Equine Jewelry	\$446	Valley Center
Kansas Trade Show Assistance Prog.	Unique Equine Jewelry	\$365	Valley Center
Kansas Trade Show Assistance Prog.	Prairie Song Designs, Inc.	\$757	Valley Center
Kansas Trade Show Assistance Prog.	Pangea Geochemical Technologies	\$1,475	Wichita
Kansas Trade Show Assistance Prog.	Pangea Geochemical Technologies	\$1,075	Wichita
Kansas Trade Show Assistance Prog.	Pac Mig, Inc.	\$1,500	Wichita
Kansas Trade Show Assistance Prog.	Nowak Pipe Reaming, Inc.	\$1,223	Goddard
Kansas Trade Show Assistance Prog.	Great Plains Industries, Inc.	\$3,500	Wichita
Kansas Trade Show Assistance Prog.	Great Plains Industries, Inc.	\$2,135	Wichita
Kansas Trade Show Assistance Prog.	Great Plains Industries, Inc.	\$1,366	Wichita
Kansas Trade Show Assistance Prog.	Charles Engineering Inc.	\$2,100	Clearwater
Kansas Trade Show Assistance Prog.	Chance Coach	\$1,500	Wichita
Kansas Trade Show Assistance Prog.	Balco Metalines	\$1,500	Wichita
KS Econ. Opportunity Initiatives Fund	Voicestream	\$400,000	Wichita
KS Econ. Opportunity Initiatives Fund	NMF America	\$100,000	Wichita
KS Econ. Opportunity Initiatives Fund	Koch Supplies	\$175,000	Wichita

1/17/2001 House Fed & State Affairs Attachment 1 - 32

Program	Business/Recipient	Amount	City
<b>Sedgwick (continued)</b>			
KS Econ. Opportunity Initiatives Fund	Dean & Delucca	\$125,000	Wichita
KS Econ. Opportunity Initiatives Fund	Central Plains Book Manufacturing	\$100,000	Derby
KS Econ. Opportunity Initiatives Fund	AmeriServe Food Distributions, Inc. (Wichita)	\$100,000	Lenexa
KS Existing Industry Expansion Prog.	Royal Caribbean Cruise Lines	\$100,000	Wichita
KS Existing Industry Expansion Prog.	Dean & Delucca	\$125,000	Wichita
Metro. Community Capacity Building	Sedgwick County	\$10,000	Wichita
Metro. Community Capacity Building	City of Wichita	\$40,000	Wichita
Small Business Development Ctr.	Wichita State University	\$46,962	Wichita
Training Equipment Grant	Wichita Area Technical College	\$26,550	Wichita
Training Equipment Grant	Wichita Area Technical College	\$24,785	Wichita
	World Trade Center	\$41,889	Wichita
		<u>\$2,148,694</u>	
<i>Sedgwick County Total</i>			
<b>Sherman (SH)</b>			
Attraction Development Grant	Goodland Arts Council, Inc.	\$50,000	Goodland
		<u>\$50,000</u>	
<i>Sherman County Total</i>			
<b>Shawnee (SN)</b>			
KS Econ. Opportunity Initiatives Fund	Teletech	\$150,000	Topeka
Attraction Development Grant	Friends of the Free State Capital, Inc.	\$2,527	Topeka
Attraction Development Grant	Combat Air Museum	\$16,000	Topeka
Kansas Trade Show Assistance Prog.	Hill's Pet Products	\$3,500	Topeka
Kansas Trade Show Assistance Prog.	Brackett, Inc.	\$3,500	Topeka
Metro. Community Capacity Building	NOTOMA/DTI/Metro Planning	\$7,500	Topeka
Small Business Development Ctr.	Washburn University	\$27,500	Topeka
Training Equipment Grant	KAW Area Technical School	\$75,000	Topeka
Training Equipment Grant	KAW Area Technical School	\$64,757	Topeka
		<u>\$350,284</u>	
<i>Shawnee County Total</i>			

1/17/2001 House Fed & State Affairs Attachment 1 - 33



Program	Business/Recipient	Amount	City
<b>Thomas (TH)</b>			
Kansas Industrial Training	McCarty Dairy	\$13,982	Colby
Kansas Trade Show Assistance Prog.	Mingo Custom Woods	<u>\$1,500</u>	Colby
<i>Thomas County Total</i>		<i>\$15,482</i>	
<b>Wabaunsee (WB)</b>			
From the Land of Kansas	Alma Cheese	<u>\$250</u>	Alma
<i>Wabaunsee County Total</i>		<i>\$250</i>	
<b>Wichita (WC)</b>			
Attraction Development Grant	Wichita County Amusement Association	<u>\$11,158</u>	Leoti
<i>Wichita County Total</i>		<i>\$11,158</i>	
<b>Wilson (WL)</b>			
Kansas Industrial Retraining	Prestige, Inc.	\$48,759	Neodesha
Kansas Industrial Training	Cobalt Boats	\$10,385	Neodesha
KS Existing Industry Expansion Prog.	Cobalt Boats	<u>\$100,000</u>	Neodesha
<i>Wilson County Total</i>		<i>\$159,144</i>	
<b>Washington (WS)</b>			
Kansas Industrial Training	Linn Post & Pipe, Inc.	<u>\$12,000</u>	Linn
<i>Washington County Total</i>		<i>\$12,000</i>	
<b>Wyandotte (WY)</b>			
Certified Development Company	Avenue Area Development	\$38,450	Kansas City
Kansas Industrial Retraining	Owens Corning	\$24,196	Kansas City
Kansas Industrial Retraining	Garsite LLC	\$49,964	Kansas City
Kansas Industrial Training	Meridian Automotive Systems, Inc.	\$46,600	Kansas City
Kansas Industrial Training	International Multifoods Corporation	\$40,000	Bonner Springs
Kansas Trade Show Assistance Prog.	Original Juan Specialty Foods, Inc.	\$1,500	Kansas City
Kansas Trade Show Assistance Prog.	Garsite, LLC	\$3,500	Kansas City
Kansas Trade Show Assistance Prog.	Garsite, LLC	\$3,500	Kansas City
Kansas Trade Show Assistance Prog.	Gard Corporation	\$1,150	Kansas City

1/17/2001 House Fed & State Affairs Attachment 1 --34

Program	Business/Recipient	Amount	City
<b>Wyandotte (continued)</b>			
Kansas Trade Show Assistance Prog.	American Crane and Tractor Parts	\$1,500	Kansas City
Kansas Trade Show Assistance Prog.	American Crane and Tractor Parts	\$3,068	Kansas City
Kansas Trade Show Assistance Prog.	American Crane and Tractor Parts	\$2,432	Kansas City
KS Econ. Opportunity Initiatives Fund	Weld Wheel Industries	\$300,000	Kansas City
KS Econ. Opportunity Initiatives Fund	Shor-Line Properties, LLC (Schroer Manufacturing)	\$75,000	Kansas City
KS Econ. Opportunity Initiatives Fund	KS Speedway	\$1,150,000	KC
KS Econ. Opportunity Initiatives Fund	KS Speedway	\$1,100,000	KC
KS Econ. Opportunity Initiatives Fund	Federal Deposit Insurance Corporation	\$125,000	Kansas City
Metro. Community Capacity Building	Bridges of Hope	\$15,000	Kansas City
<i>Wyandotte County Total</i>		<i>\$2,980,860</i>	
<b>Statewide or Region-wide</b>			
Ag. Products Development	National Sunflower Association	\$50,000	
Ag. Products Development	Great Plains Corn Processing Coop.	\$50,000	(SW Kansas)
Certified Development Company	Mo-Kan Regional Council & Econ. Dev. Dist.	\$31,263	St Joseph
<i>Statewide/Region-Wide Grants Total</i>		<i>\$131,263</i>	
<b>Grand Total</b>		<b>\$17,556,509</b>	

1/17/2001 House Fed & State Affairs  
Attachment 1 - 35



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January 16, 2001

The Honorable Doug Mays, Chairperson  
House Committee on Federal and State Affairs  
Statehouse, Room 170-W  
Topeka, Kansas 66612

Dear Representative Mays:

SUBJECT: Fiscal Note for HB 2038 by House Committee on Federal and  
State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2038 is respectfully submitted to your committee.

HB 2038 would extend the sunset date for the Kansas Lottery to July 1, 2012. If no change were made to current law, the agency would be abolished on July 1, 2002.

In *The FY 2002 Governor's Budget Report*, a total of \$200.0 million in sales is estimated for the Kansas Lottery. Of this amount, \$60.0 million would be transferred to the State Gaming Revenues Fund (SGRF) and from this fund, the following transfers are recommended: \$42.5 million to the Economic Development Initiatives Fund, \$10.3 million to the State General Fund, \$5.0 million to the Correctional Institutions Building Fund, and \$2.5 million to the Juvenile Detention Facilities Fund. The Governor's recommendations assume that the agency's sunset date would be extended beyond July 1, 2002. However, non-renewal of the Kansas Lottery would result in the loss of all the above transfers in FY 2003. In addition, in order to end operations completely by July 1, 2002, the lottery would need to begin winding down during FY 2002, which would cause a portion of the projected FY 2002 revenue to be lost.

Sincerely,

Duane A. Goossen  
Director of the Budget

House Fed. &  
State Affairs  
Date 1/17/2001  
Attachment No. 2  
Page 1 of 1