

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Pete Brungardt at 11:35 a.m. on Thursday, April 28, 2005, in Room 231-N of the Capitol.

All members were present.

Committee staff present:

Dennis Hodgins, Kansas Legislative Research Department
Dee Woodson, Committee Secretary

Conferees appearing before the committee:

William J. Falstad
Stephen L. Martino
Representative Carl Krehbiel

Others attending:

See attached list.

Chairman Brungardt called upon William Falstad, nominee as a member of the Kansas Racing and Gaming Commission, to give an opening statement regarding his background and qualifications. Mr. Falstad gave a brief overview of his education and work experience. He stated that his most recent experience as a member of the Kansas Lottery Commission had given him some added insight into the application of past experiences to the challenges that may be presented to him as a member of the Kansas Racing and Gaming Commission. (Attachment 1)

Following brief committee questions, the Chairman expressed the committee's appreciation to Mr. Falstad's attendance and participation in the confirmation hearing.

Senator Hensley made a motion to move to the full Senate the confirmation of William J. Falstad to be a member of the Kansas Racing and Gaming Commission, seconded by Senator Gilstrap, and the motion carried.

Chairman Brungardt opened the hearing on the confirmation of Stephen Martino as Executive Director of the Kansas Racing and Gaming Commission. He stated that the committee had a request by Representative Carl Krehbiel to address the committee regarding the Governor's nominee for the position of Executive Director.

Representative Krehbiel expressed his concerns regarding Mr. Martino's nomination relating to his qualifications, work experience, and political fund raising activities for the Governor's 2002 campaign. He spoke about substantial campaign contributions to the Governor from the gambling industry, and that the nomination of a major solicitor of campaign contributions to the position of overseeing the gambling industry could create an appearance of giving the gambling industry favorable treatment. Representative Krehbiel stated that he did not believe the nomination of Mr. Martino to this position would serve the public interest of the people of Kansas. (Attachment 2)

Senator O'Connor asked what percentage of the campaign funds came from the gaming industry. Representative Krehbiel responded that he did not have a specific number on that because it can be difficult to identify which interests are involved in that industry. He stated that he had heard from an individual who tracked these campaign donations, and he was not going to assert that the information he was given was absolutely correct, but he had been told the owner of the dog track in Wichita, by himself or by entities he controls, contributed \$250,000.

Following committee questions and comments, Chairman Brungardt called upon Stephen Martino to respond to the testimony and questions presented by Representative Krehbiel. Mr. Martino stated that he has never hidden from the fact that he raised money for the Governor, and it is included in his résumé as well as having been addressed at the last confirmation meeting. He explained that he started working for the Governor in February 2000 on a part-time basis while attending Washburn Law School as a full-time

CONTINUATION SHEET

MINUTES OF THE Senate Federal and State Affairs Committee at 11:35 a.m. on April 28, 2005 in Room 231-N of the Capitol.

student. Following graduation in December 2001, he assumed the position of Deputy Campaign Manager and Director of Finance. He said in that position he supervised all fund-raising activity for the campaign, and worked closely with then-Commissioner Sebelius to target potential donors. Mr. Martino stated that he left the Sebelius for Governor campaign August 1, 2002, five days before the primary election, and did no fund-raising for the campaign after that date. He briefly explained about his contacts with racing interests, and in fact, were minimal at best. He related two instances when he had contact with racing interests as detailed in his written testimony. He said at events he primarily was a scrivener and recorded what was said to ensure necessary follow-up occurred. (Attachment 3)

Mr. Martino reviewed the campaign finance reports from his tenure with the Governor's campaign, and it showed a total of \$9,000 contributed by racing interests, which he detailed in his written testimony. He said that the \$9,000 was one-third of one percent of all the money raised by the Governor's campaign during his service.

Senator Vratil referred to Representative Krehbiel's written testimony which classified his concerns into two categories; one of which was Mr. Martino's qualifications for the position. Senator Vratil stated that this committee explored his qualifications at the confirmation hearing held on March 30, and asked Mr. Martino if there was anything further that he would like to say to this committee in response to Representative Krehbiel's questions as presented in the last paragraph of the first page of his written testimony.

Mr. Martino responded in regard to the highest position he had obtained; he said at present he was an associate in a law firm. He said that it appeared to him there were four ways the Governor could go in making this type of appointment: (1) she could go out of state to find someone that she believes is qualified; (2) she can nominate someone from inside the state that absolutely has no experience, knowledge, or not having been engaged with anything remotely involved with gaming ever; (3) she could have nominated someone with extensive experience in the racing and gaming industry, and most likely that person would come from inside the industry itself which could cause a different set of problems; or (4) she could nominate someone with a knowledge of the Kansas gaming laws with an understanding of the legislative and public opinion history of gaming in the state. He stated that he felt he was a candidate from the last category. Mr. Martino explained that through the law firm he works for, he has represented a client, who is not regulated by the State of Kansas, but has an interest in monitoring Kansas gaming laws. This legal relationship has allowed him to research state law, court common law, and Attorney General's opinions in regard to gaming. He stated with that background and with substantial knowledge of the history of gaming in Kansas, and these qualities would serve him well should he be confirmed.

Senator Vratil referred to the other concern of Representative Krehbiel's which related to gambling industry contributions, and asked how much money did the gambling industry, the parent and subsidiary companies and suppliers contribute to the Sebelius campaign. Mr. Martino responded that he did not know, but he could say that the Sebelius campaign did receive contributions from several if not all of the Indian tribes that have casinos in the state. He said he could assure the committee that when he was raising money for the Sebelius campaign, gaming and racing contributions were not set out as some kind of separate category where special interest was directed. He stated that the campaign staff was raising a lot of money from a lot of people and from various businesses, attorneys, doctors, etc.; and it was done at 100% compliance of the law. He added that he was not aware of any ethical or legal infraction that was incurred by the Sebelius campaign in the fund raising.

Senator Vratil asked what was Mr. Martino's role in soliciting campaign contributions from the gambling industry. Mr. Martino replied that he could not recall doing anything out of the ordinary as it regards soliciting campaign contributions from gaming or specifically racing entities that wouldn't have been done for any other person, attorney, doctor, etc. Those were probably done on a call list, and it would have been unusual for him to place a personal phone call. He did not recall that happening with any racing entity. Mr. Martino referred to the two occasions in June and July of 2002 which are noted in his written testimony and talked about earlier. He said he was confident he did not personally solicit any funds at either of those events, nor does he remember making any telephone calls to any gambling entities.

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MINUTES OF THE Senate Federal and State Affairs Committee at 11:35 a.m. on April 28, 2005 in Room 231-N of the Capitol.

Senator Vratil asked for clarification that at those two events he primarily took notes, and Mr. Martino responded that was his primary role.

Senator Gilstrap inquired what kind of management style he would have as Executive Director, and the number of staff he would have in that position. Mr. Martino replied that there are between 43 and 48 full time employees, and that he had managed staff before but not as large as the Racing and Gaming Commission. He said he felt the best way to lead staff was to set clear standards of conduct, encourage and foster open communications between himself and staff, also within the staff itself, and hold everyone accountable for his/her actions and make sure the State of Kansas gets an honest day's work out of everyone. He commented that a lot of the staff had extensive employment history and commitment to the agency, and he hoped that would continue and the people would feel good about the jobs that they do.

Senator O'Connor referred to Mr. Martino's confirmation packet of information, noted his wife works for the State of Kansas, and asked where she worked at the state. Mr. Martino replied that his wife is the Director of Communications and Marketing for the Department of Labor. (Attachment 4)

Committee questions and discussion continued relating to the possibility of having staff research the campaign contributions which are public documents. Mr. Martino stated that it was his understanding that Carol Williams, Executive Director of the Ethics Commission, had given him a "clean bill of political health."

Committee discussion continued regarding the possible research into the campaign contribution records, and it was the consensus of the committee that an investigation would not change what the committee had looked at or heard in previous discussions.

Senator Vratil made a motion to recommend confirmation of Mr. Martino as Executive Director of the Kansas Racing and Gaming Commission to the full Senate. Senator Gilstrap seconded the motion, and the motion carried.

Meeting was adjourned at 12:22 p.m.

Senate Confirmation Information Summary
Prepared and Submitted by the Office of Governor Kathleen Sebelius

Appointee: William J. Falstad

Position: Member, Kansas Racing and Gaming Commission

Appointment Date: April 21, 2005

Expiration Date: January 15, 2008

Term Length: 4 years

Statutory Authority: K.S.A. 74-8803

Party Affiliation: Republican

⇒ Statutory geographic representation

Congressional District: Each congressional district shall have at least one member residing in such district at time of appointment.

Requirements (*insert any that apply*)

County:

Size requirement (*if any*):

Other, specify: Shall have been a resident of Kansas for continuous five year period immediately preceding appointment.

⇒ Statutory party affiliation requirement:

No more than three members shall belong to the same political party at the time of appointment and during their terms of office with the commission.

⇒ Statutory industry or occupation requirements:

Salary: \$24,000.00

Predecessor: Randall K. Rathbun

Board Composition Prior to Confirmation of New Appointee:

(SEE ATTACHED LIST)

Senate Federal & State Affairs

Committee

4-28-05

Attachment 1

Kansas Racing and Gaming Commission

1-2

Gov Appts: 5
Total Appts: 5

Term Length: Four Years
Notes: Shall be citizen of U.S. and actual resident of KS at time of appt. and during term of office; shall have been resident of KS for continuous period of not less than 5 yrs. immediately preceding appt.; and no conviction of felony at any time prior to appt. or during term. Each congressional district has at least 1 member residing in district at time of appt. Meets every 3 weeks

Contact: Tracy T. Diel, Director
 3400 SW VanBuren
 Topeka, KS 66611
 785/296-5800

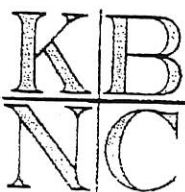
Statute: KSA 74-8803
Party Ratio: 3:2

Confirmation: **Current Counts** Male/Female 1st--2nd--3rd--4th R / D / U **Board Active**
 4 : 1 1 : 2 : 1 : 1 2 : 3 : 0

	<u>County</u>	<u>Affiliation</u>	<u>CD</u>	<u>H</u>	<u>S</u>	<u>Appointment Date</u>	<u>Expiration Date</u>
Braun, Mr. Glenn R. 2705 Thunderbird Drive Hays, KS 67601 Cell (785) 650-4826 Work (785) 625-6919 Home (785) 625-4905 Fax (785) 625-2473 grbraun@haysamerica.com	Ellis	D	1	111h	37s	2/26/2005	1/15/2008
	Position: a member Succeeds: Leslie Hess Appointed By: Governor Nominations: Remarks: First Congressional District Member Seat #: 005						
Olander, Mr. Gene M. 1811 SW Westwood Drive Topeka, KS 66604 Work 785/233-8200 Home 785/357-7484	Shawnee	R	2	55h	20s	1/11/2001	1/15/2005
	Position: a member Succeeds: himself -- reappointed Appointed By: Governor Nominations: Remarks: Second District Appointee Seat #: 003						
Rathbun, Mr. Randall K. 254 North Crestway Street Wichita, KS 67208 Home (316) 683-5207 Work (316) 262-4000 Fax (316) 265-3819	Sedgwick	D	4	83h	30s	1/11/2001	1/15/2004
	Position: a member Succeeds: Ed Nazar Appointed By: Governor Nominations: Remarks: Fourth District Appointee Seat #: 004						

1-3

	<u>County</u>	<u>Affiliation</u>	<u>CD</u>	<u>H</u>	<u>S</u>	<u>Appointment Date</u>	<u>Expiration Date</u>
Sader, Ms. Carol 8612 Linden Drive Shawnee Mission, KS 66207 Home 913-341-9440 Fax 913-341-9440 Cell 913-206-0614 hsader@kc.rr.com	Johnson	D	3	21h	7s	7/1/2003	1/15/2007
	Position:	a member					
	Succeeds:	Keith Palmer					
	Appointed By:	Governor					
	Nominations:						
	Remarks:	Third District Appointee					
	Seat #:	001					
Teeter, Dr. Stanley 4207 N.E. Kimbal Topeka, KS 66617 Home 785-286-1189	Shawnee	R	2	50h	18s	7/1/2003	1/15/2007
	Position:	a member					
	Succeeds:	Robert H. Miller					
	Appointed By:	Governor					
	Nominations:						
	Remarks:	Fourth District Appointee					
	Seat #:	002					



KANSAS BANK NOTE COMPANY

FIFTH & JEFFERSON STREETS P. O. BOX 360 FREDONIA, KANSAS 66736

TEL. 1-800-835-0011
IN KS 316-378-2146
FAX 316-378-2229

William Falstad
P.O. Box 360
Fredonia, KS 66736

Wife Peggy

~~H. 316-378-3587~~ O. 316-378-2146
Fax 316-378-2229 Car 316-332-3978

Born Superior, Wisconsin January 5, 1934

EDUCATION - BBA - University of Wisconsin-1956
Major - Accounting
C.P.A.-Illinois-

EMPLOYMENT -

Arthur Andersen & Co. 1956-1962
Specialized in Public Utilities
Audits
Accounting Systems
Rate Determination

Kansas Bank Note Co. 1963-
President
63 Employees
4,500,000 Annual Sales

OTHER -

Mayor of Fredonia - 9 years
Chm, Kansas Republican Party 1970-1972
Board Member-KCCI 1992- **FORMER CHAIR**
Board Member-First National Bank-Fredonia 1975-
President-College Fraternity

(for Appointments Office use only)

KBI Check: NA In Process Complete

KANSAS GOVERNOR SEBELIUS APPOINTMENT QUESTIONNAIRE

Position for which you are applying: KANSAS RACING AND GAMING COMMISSION

Full Name (please include title and middle name): WILLIAM JAMES FALSTAD

Home Address: 2411 GARY AVENUE INDEPENDENCE KS 67301
(City, State, Zip) (County) MONTGOMERY

Business Address: 301 NORTH 5TH ST PARDONIA KS 66736 WILSON
(City, State, Zip) (County)

Business Name: KANSAS BANK NOTE CO.

Position Title: PRESIDENT

Home Phone: 620.331.4947 Business Phone: 620.378.2146 Cell Phone: 620.330.1973

Facsimile No: 620.378.2229 E-Mail Address: bfalstad@TWINMOUNDS.COM

Driver's License No: _____ Social Security No: 2

Date of Birth: 1/5/34 Place of Birth: SUPERIOR WI Kansas resident? YES

Registered Voter? YES Party Affiliation: REPUBLICAN

Congressional District: 4 Kansas Senate District: 15 Kansas Representative District: 12

Do you have the legal right to live and work in the United States? YES

Education: BBA - ACCOUNTING - UNIVERSITY OF WISCONSIN

Employment Experience: 1956-1961 ARTHUR ANDERSEN & CO. CHICAGO

1962 - PRESENT KANSAS BANK NOTE CO.

Do you hold any professional licenses? If so, please provide numbers: CPA - ILLINOIS

What special skills could you bring to this position? LOTTERY COMMISSION -

ACCOUNTING/AUDITING / SYSTEMS DESIGN (AA&CO)

Previous government appointments: KANSAS LOTTERY COMMISSION 2000-2005
(Please provide dates)

EXPERIENCE AND AFFILIATIONS (Note: All yes answers require a detailed response. Attach a separate sheet if necessary.)

1. Military Service: List rank, date, and type of discharge from active service: **NONE**
2. Government Experience: List on a separate sheet any experience or association with local, state or federal government (exclusive of elective public office but including advisory, consulting, honorary, or other part-time service or positions), with dates of service:
LOTTERY COMMISSION 2000-2005
3. Elective Public Office: List on a separate sheet all elective public offices sought and/or held with dates of service: **MAYOR - FREEDONIA 1968-70 1976-81**
4. Honors and Awards. List on a separate sheet all scholarships, fellowships, honorary degrees, honorary society memberships, and any other special recognitions for outstanding service or achievements: **N/A**
5. Organization Affiliations. List on a separate sheet all local, state, and national civic, cultural, educational, charitable, or work-related organizations you have been associated with in the past ten years. Include any position held in the organization and the dates of service.
KCCI - BOARD/CHM
6. Organization Restrictions: To your knowledge, is any organization listed above restricted on the basis of race, color, religion, sex, national origin, disability, marital status, or veteran status? If yes, please describe: No Yes _____
7. Issues. Have you ever been publicly identified, in person or by organizational membership, with a particularly controversial national or local issue? If so, please describe. No Yes _____
8. Submission of views. Have you ever submitted oral or written views to any governmental authority, whether executive or legislative, or to the news media on any particular controversial issue other than in an official governmental capacity? If yes, please describe. No Yes _____
9. Associations. Have you ever had any association with any person, group, or business venture that could be used, even unfairly, to impugn or attack your character and qualifications for the position to which you seek to be appointed? If yes, please describe. No Yes _____
10. Opposition. Do you know of any person or group who might take overt or covert steps to attack, even unfairly, your appointment? If yes, please identify and explain the basis for the potential attack on a separate sheet. No Yes _____
11. Miscellaneous. List on a separate sheet any factors, other than the information provided above, which particularly qualify you or are relevant to the position to which you are seeking appointment? Include any special skills.

CONFLICTS OF INTEREST: (Yes answers require a detailed response. If necessary, use a separate sheet.)

12. Relationship to governmental employees. Are you or your spouse or other close family members related to any state governmental official or employee? If yes, please provide details. No Yes
13. Compensation. During the past five years have you or your spouse or other close family members received any compensation or been involved in any financial transaction with the State of Kansas? If yes, please explain. No Yes LOTTERY COMMISSION
14. Business relationships. Describe on a separate sheet any business relationship, dealing, or financial transaction which you have had during the last five years, whether for yourself, on behalf of a client, or acting as an agent, which you believe may constitute an appearance of impropriety or result in a potential conflict of interest in the position to which you want to be appointed. If none, please so state. NONE
15. Transactions with officials. During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with any state government official? If yes, please explain on a separate sheet. No Yes
SEE 13
16. Spouse or other family members. If the nature of employment for your spouse or other close family member is related in any way to the position to which you want to be appointed, please indicate the employer, the position, and the length of time it has been held. If it is not, please so state. NONE
17. Lobbying activities. Describe briefly on a separate sheet any lobbying activity during the past ten years in which you have engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action. Describe briefly any lobbying activity during the last ten years in which your spouse has engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action that is related in any way to the position to which you are seeking appointment. (Lobbying activity includes any activity performed as an individual or agent of another individual, or of any organization that involves direct communication with an official in the executive branch of state government, or any official of the legislative branch.) If none, please so state. NONE
18. Regulated activities. Describe on a separate sheet any interest that you, your spouse, or other close family member may have (whether as an officer, owner, director, trustee, or partner) in any corporation, firm, partnership, or other business enterprise and any non-profit organization or other institution that is regulated by or receives direct financial benefits from any department or agency of the State of Kansas. If none, please so state. NONE
19. Other. Please describe on a separate sheet any other matter in which you are involved that is or may be incompatible or in conflict with the discharge of the duties of the position to which you seek to be appointed or which may impair or tend to impair your independence of judgment or action in the performance of the duties of that position. If none, please so state. NONE

ETHICAL MATTERS: (Yes answers require a detailed response. If necessary, use a separate sheet.)

20. Citations. Have you ever been cited for a breach of ethics for unprofessional conduct by, or been named in a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If yes, please provide details.
No Yes
21. Convictions. Have you ever been convicted of or entered a plea of guilty or nolo contendere or forfeited collateral for any criminal violation other than a minor traffic offense? (Minor traffic offenses do not include the Kansas offenses of driving under the influence, operating while impaired, reckless driving, or the equivalent offenses in other states.) If yes, please explain.
No Yes
22. U.S. Military convictions. Have you ever been convicted by any military court? If yes, please provide details. No Yes
23. Imprisonment. Have you ever been imprisoned, been on probation, or been on parole? If yes, please provide details. No Yes
24. Agency proceedings: Civil Litigation. Are you presently, or have you ever been, a party in interest in any administrative agency proceeding or civil litigation that is related in any way to the position to which you are seeking appointment? If yes, please provide details.
No Yes
25. Agency proceedings and civil litigation of affiliates and family. Has any business in which you, your spouse, close family member or business associate are or were an officer, director or partner been a party to any administrative agency proceeding or civil litigation relevant to the position to which you are seeking appointment? If yes, please provide details. (With respect to this question, you need only consider proceedings and litigation that occurred while you, your spouse, close family member, or business associate were an officer of that business.)
No Yes
26. Other litigation. Other than the litigation described above, have you or any business in which you are or were an officer, director, or partner been a plaintiff or a defendant in a civil lawsuit? If yes; please describe. Is anyone currently threatening to sue you or any business in which you are an officer, director, or partner? If yes, please describe. No Yes
27. Drivers license. Has your drivers license ever been suspended or revoked? If yes, please describe. No Yes
28. Parking tickets. Do you have outstanding parking tickets from any jurisdiction in Kansas that have remained unpaid for more than 60 days? If yes, please explain. No Yes
29. Security clearance denial. Have you ever been denied a military or other governmental clearance? If yes, please explain. No Yes

- 30. Firings. During the past ten years, have you been fired from a job for any reason? Did you quit after being told that you would be fired, or did you leave by mutual agreement because of specific problems? If yes, please provide details. No Yes
- 31. Alimony and child support. Are you now, or have you ever been delinquent in the payment of alimony or child support? If yes, please provide details. No Yes
- 32. Consumption of alcohol. Are you currently abusing alcohol? No Yes
- 33. Controlled substances. Are you currently engaged in the illegal use of a controlled substance or abusing the use of a prescribed controlled substance? If yes, please describe. No Yes
- 34. Physical examination. If you receive a conditional offer of appointment or employment, would you be willing to take a physical examination, which may include a drug test? No Yes
- 35. Other. Please provide any additional information, favorable or unfavorable, which you feel should be considered in connection with your appointment.

FINANCIAL MATTERS: (Yes answers require a detailed response. If necessary, use a separate sheet.)

- 36. Delinquencies. Are you delinquent on any federal, state, or local debt? (Include delinquencies for income, property, or other taxes; governmental loans; overpayment of benefits; required payments into or under governmental programs; and other debts or required payments to the government; plus any defaults on or under loans which are or were guaranteed, insured, or subsidized by any unit of government.) If yes, please provide details on a separate sheet of paper. No Yes

REFERENCES/SIGNIFICANT SUPPORTERS (elected officials, community leaders, friends, etc.)

Name: _____ Relationship to you: _____
 Telephone: _____

Name: _____ Relationship to you: _____
 Telephone: _____

Name: _____ Relationship to you: _____
 Telephone: _____

Name: _____ Relationship to you: _____
 Telephone: _____

AUTHORIZATION AND CERTIFICATION:

The facts set forth in my application are true and complete. False statements, answers, or omissions on this application shall be sufficient cause for nonconsideration or for dismissal after appointment or employment. I also recognize that my selection is based on receipt of satisfactory information from former employers and references, and upon my ability to perform the essential elements, with or without reasonable accommodations, for the position for which I am applying. I herein authorize investigation, without liability, of the information supplied by me in this application for employment or appointment including academic, occupational, health, law enforcement, and government records. I also authorize listed employers and references, without liability, to make full response to any inquiries in connection with this application for appointment or employment. I understand and agree that the terms, conditions, compensation, benefits, hours, schedule, and duration of my appointment or employment may be determined, changed, or modified from time to time at the will of the appointing authority or designee without limitation or condition. I FURTHER CERTIFY THAT I HAVE READ THE FOREGOING PARAGRAPH AND KNOWINGLY MAKE THIS AUTHORIZATION BY SETTING FORTH MY SIGNATURE.

I understand that if I am required to be registered, licensed, or certified by federal or state law or regulation for the position I seek, I will notify the appointing authority immediately if any investigation, limitation, or cancellation of my registration, licensure, or certification occurs. If any investigation, probation, limitation, or cancellation occurs, I understand that my failure to notify my appointing authority as described above will result in the termination of my appointment or employment.

Signature William James Felted Date 4/11/05

Please attach a copy of your resume if you have not previously provided one to the Appointments office.



KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION: PLEASE TYPE OR PRINT

FALSTAD WILLIAM J MI
Last Name First Name MI

PEGGY FALSTAD
Spouse's Name

2411 GARY AVE - INDEPENDENCE KS 67301
Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

620.331.4947 620.378.2146
Home Phone Number (include area code) Business Phone Number (include area code)

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:

(check one or more of the following)

- 1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for a State Agency;
6. Candidate for State Office.
7. Other (Contractor / Member of Compact)

List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

LOTTERY COMMISSIONER

Division if applicable (May use acronyms)

Position

The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

9582

1-11

C. **OWNERSHIP INTERESTS:** List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here .

	BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	PERCENT OF OWNERSHIP INTERESTS	HELD BY WHOM
1.	KANSAS BANK NOTE CO FREDONIA KS	PRINTING	DEBT	35.5%	SELF
2.	FIRST NATIONAL BANK FREDONIA KS	BANK	COMMON STOCK	.7%	SELF
3.	SEE ATTACHED				
4.					
5.					
6.					
7.					
8.					
9.					
10.					

D. **GIFTS OR HONORARIA:** List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here .

	NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY:
1.			
2.			
3.			

E. **RECEIPT OF COMPENSATION:** List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE ____.
If you have nothing to report in Section "E"1, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.	SEE SECTION B		
2.			

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
If you have nothing to report in Section "E"2, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.			
2.			

F. **OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS:** List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
If you have nothing to report in Section "F", check here ____.

	BUSINESS NAME AND ADDRESS	POSITION HELD	HELD BY WHOM
1.	KANSAS BANK NOTE Co FREDONIA	PRESIDENT	SELF
2.	FIRST NATIONAL BANK FREDONIA	DIRECTOR	SELF
3.	KCCI TOPEKA	DIRECTOR	SELF
4.	KANSAS LOTTERY	COMMISSIONER	SELF
5.			
6.			
7.			
8.			

G. **RECEIPT OF FEES AND COMMISSIONS:** List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here .

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			

H. **DECLARATION:**

I, WILLIAM FALSTAD, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

4/6/05
Date

William Falstad
Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES 1

Return your completed statement to the Secretary of State, Memorial Hall, First Floor, 120 SW 10th Ave., Topeka, Kansas 66612-1594.

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**WILLIAM FALSTAD
OWNERSHIP INTERESTS**

<u>Business Name</u>	<u>Self/Spouse</u>
Mutual Funds	Self/Spouse
Amsouth Bancorporation	Self
Citigroup	Self
Chicos FAS	Self/Spouse
First Data Corp.	Self
Hospitality Properties Trust	Self
Kaydon Corporation	Self
Lowe's	Self
Navteq Corp.	Self
Walmart Stores, Inc.	Self
Apache Corporation	Self
Celgene Corp.	Self
Pfizer, Inc.	Self
XM Satellite Radio	Self
Vornado Realty	Self
Annico Eagle Mines	Self
Great Plains Energy	Self
Johnson & Johnson	Self
Kinder Morgan	Self
Eli Lilly	Self
Newmont Mining	Self
Ralph L. Falstad Trust	Self
Patricia S. Falstad Trust	Self

CARL C. KREHBIEL
 REPRESENTATIVE, 74TH DISTRICT
 HARVEY AND MCPHERSON
 COUNTY AREA
 P.O. BOX 228
 MOUNDRIDGE, KANSAS 67107
 [H] (620) 345-2875
 [O] (620) 345-2831

STATE CAPITOL—ROOM 112-S
 TOPEKA, KANSAS 66612-1504
 [O] (785) 296-7682
 1-800-432-3924
 TTY (785) 296-8430
 carlkreh@mtelco.net



TOPEKA

HOUSE OF
 REPRESENTATIVES

VICE CHAIRMAN: UTILITIES
 KANSAS SECURITY
 MEMBER: HIGHER EDUCATION
 EDUCATION BUDGET
 ECONOMIC DEVELOPMENT

April 28, 2005

**Testimony of Rep Carl Krehbiel
 in Opposition to the Nomination of Mr. Steve Martino
 for Executive Director, Kansas Racing and Gaming Commission**

Thank you Chairman Brungardt and members of the Committee for giving me the opportunity to express my concerns about the nomination of Mr. Steve Martino for the position of Executive Director of the Kansas Racing and Gaming Commission.

At a time when one or more proposals for a significant expansion of gambling in several forms may be emerging, perhaps even today, I believe that the public interest demands that the person who next takes this position be beyond reproach, with unquestionable qualifications for the position, and a background that would not leave the person holding the position under a cloud of suspicion for his entire tenure. Consequently, I believe that confirming the nomination of Mr. Martino would not be appropriate.

I want to stress that I am not calling into question Mr. Martino's character or his qualities as a human being. I am sure that he is eminently qualified for many positions in the public and the private sectors -- just not this one. And I am equally sure that there are many positions for which I am not qualified or suitable, and the same is true of anyone in this room.

But especially at this point in time, it is crucial that the next person to hold this position be unquestionably well qualified, and without baggage from recent activities that could constitute grounds for suspicion. I think this Committee should not just rubber-stamp a nomination, but rather needs to address some hard questions.

First, what are Mr. Martino's qualifications specifically for this position? The Commission oversees an industry of significant size -- and indeed, an industry for which the Governor is seeking a major expansion. It is also an industry that many Kansans view as highly controversial. What is there in Mr. Martino's background and work experience that suggests he is qualified? What is the highest-level position he has held? What positions in business or government suggest that he is qualified for this specific position?

Senate Federal & State Affairs

Committee

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Attachment

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Second, Mr. Martino's activities as a prolific fundraiser for the Governor's 2002 campaign raise some crucial questions. How much money did the gambling industry, its parent and subsidiary companies, and its suppliers, contribute to the Sebelius campaign? What was Mr. Martino's role in soliciting campaign contributions from the gambling industry? If Mr. Martino was involved in such solicitations, then there are obvious questions of ethics about placing him in a position to play a major oversight role of an industry from which he solicited campaign contributions.

Third, since the Governor's campaign received substantial campaign contributions from the gambling industry, one must fear that the nomination of a major solicitor of campaign contributions to the position of overseeing the gambling industry suggests the appearance that a message is being sent to the gambling industry that it will receive favorable treatment. Could this be a precursor to major solicitations by a gubernatorial re-election campaign for large contributions from the gambling industry? The nomination of a major solicitor of campaign contributions certainly creates the disturbing appearance that this will be the case.

I am not suggesting that there is anything wrong with raising money legally for political campaigns, and again, I am not calling into question Mr. Martino's qualities as a human being. What I am questioning is the combination of no apparent qualifications for a specific position, a recent background of being a significant "rainmaker" at soliciting a sizeable amount of campaign contributions, and a key position responsible for oversight of an industry that is as controversial, volatile, and such a huge source of campaign contributions as the gambling industry. The result will be like pouring gasoline on an open flame. This is a combination that is most certainly *not* in the public interest.

The people of Kansas need to know that regulation of the gambling industry will be completely above board, above any suspicion, and conducted in a manner that looks out for the public interest, not the interest of politicians and the gambling industry itself. They need to be assured that there will be no cozy relationship between the regulator and the regulated industry. With all of the attention that has been focused on campaign finance in the last few years, the nomination of Mr. Martino clearly calls into question whether the public interest will be upheld in state regulation of the gambling industry.

The "Mission Statement" on the website of the Kansas Racing and Gaming Commission says that "The Kansas Racing and Gaming Commission is dedicated to protect the integrity of these industries through enforcement of Kansas laws and is committed to preserving and instilling public trust and confidence."

That is key – *preserving and instilling public trust and confidence*. The public can have neither trust nor confidence if this nomination is approved. The question I believe you have the responsibility to ask is: How does the nomination of Mr. Martino for this position serve the public interest of the people of Kansas? I would suggest that it obviously does not.

Thank you for your consideration.

FOULSTON SIEFKIN LLP

1551 N. Waterfront Parkway, Suite 100
Wichita, Kansas 67206-4466
316.267.6371
Fax 316.267.6345

ATTORNEYS AT LAW

555 S. Kansas Ave., Suite 101
Topeka, Kansas 66603-3423
785.233.3600
Fax 785.233.1610

40 Corporate Woods, Suite 1050
9401 Indian Creek Parkway
Overland Park, Kansas 66210-2019
913.498.2100
Fax 913.498.2101
www.foulston.com

MEMBER OF LEX MUNDI, THE WORLD'S LEADING ASSOCIATION OF INDEPENDENT LAW FIRMS

Stephen L. Martino
smartino@foulston.com

April 27, 2005

The Honorable Pete Brungardt
Kansas State Senate
522 Fairdale Road
Salina, KS 67401

RE: Kansas Racing and Gaming Commission executive director nomination

Dear Senator Brungardt:

I understand during the course of the Senate's confirmation review of my nomination to serve as executive director of the Kansas Racing and Gaming Commission that there have been questions regarding my past fund-raising activities on behalf of certain candidates and specifically for Governor Sebelius. In particular, I have heard that some question my fitness to regulate racing entities when I had previously been involved in raising funds from them. I would like to place these concerns in what I believe is their proper context and hopefully salve any further concern about my ability to serve the state in this capacity.

As my resume reflects and as you noted during my initial confirmation hearing, I have done some fund-raising on behalf of candidates for public office in Kansas. The overwhelming majority of that work was done on behalf of then-Insurance Commissioner Kathleen Sebelius, who I started working for in February 2000 on a part-time basis while I was a full-time student at Washburn University School of Law. Upon my graduation and after her campaign for Governor was launched, I assumed the position of deputy campaign manager and director of finance. In that role, I supervised all fund-raising activity for the campaign and worked most closely with then-Commissioner Sebelius to target potential donors. This campaign was, by most objective standards, widely successful in garnering financial support. However, both my recollection and the public records I have reviewed make clear that money raised from racing interests was not integral to the campaign's fund-raising success. You should also note that I departed the Sebelius for Governor campaign August 1, 2002, five days before the primary election. I did no fund-raising for the campaign after that date.

Specifically, as it relates to my contacts with racing interests, there was nothing unusual or out-of-the-ordinary. In fact, my contact with racing interests was minimal, at best. Like all fund-raising prospects, they would have received invitations to events and solicitation calls from the candidate. I do not remember making telephone calls or having any personal meetings with any racing interests save for two times: 1) I attended a dinner in Kansas City with then-Commissioner Sebelius; Bill Grace, part-owner of the Woodlands; Larry Seckington, who worked for Mr. Grace's company; and John Bottenberg, who is a registered lobbyist for the Woodlands; and 2) I attended a

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Committee
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Attachment 3

dinner in Wichita with then-Commissioner Sebelius and Phil Ruffin, owner of the Wichita Greyhound Park. At both of these dinners, I primarily was a scrivener, recording what was said to ensure necessary follow-up occurred. I am confident that I did not solicit anyone directly for money. Furthermore, I have had no contact with any entity regulated by the Racing and Gaming Commission since I left the Sebelius for Governor campaign.

My review of the campaign finance reports from my tenure at the Sebelius for Governor campaign shows a total of \$9,000 contributed from racing interests:

- \$1,000 both from the Woodlands and Bill Grace on Dec. 14, 2001;
- \$2,000 from Phil Ruffin on March 7, 2002;
- \$1,000 from Bill Grace on March 11, 2002;
- \$2,000 each from Ruffin Holdings Inc. and Ruffin Hotel Corp. on July 3, 2002.

This \$9,000 is one-third of 1 percent of all the money raised by the Governor's campaign during my service.

No one – not the Governor, not anyone on her staff, not any legislator, Democrat or Republican, not any lobbyist for any racing or gaming entity – has suggested to me that because of my past campaign activities or because of contributions made to the governor's campaign that I should "take it easy" on any person, group or entity that the Commission would regulate. As you might imagine, such a suggestion is far-fetched and inconsistent with the Governor's values and mine. Simply put, I would not have accepted this nomination had any limits been placed on the exercise of my authority and responsibilities to the state and this agency. Rather, I believe I was nominated specifically because I would cast a fair but skeptical eye toward this industry in an effort to keep its operation beyond reproach. When offering me this nomination, the Governor asked for my best, and I intend to give nothing less in service to the state and her administration.

I hope I have addressed any lingering questions or concerns. Please let me know if any additional information would be helpful.

Very truly yours,

FOULSTON SIEFKIN LLP

Stephen L. Martino

cc: Governor Kathleen Sebelius
Senator Anthony Hensley

Senate Confirmation Information Summary
Prepared and Submitted by the Office of Governor Kathleen Sebelius

Appointee: Stephen L. Martino

Position: Executive Director, Kansas Racing and Gaming Commission

Appointment Date: March 22, 2005

Expiration Date: N/A

Term Length: Pleasure of the Governor

Statutory Authority: K.S.A. 74-8805

Party Affiliation: Democrat

⇒ Statutory geographic representation
Requirements (*insert any that apply*)

Congressional District:

County:

Size requirement (*if any*):

Other, specify: Shall be a citizen of the United States and an actual resident of the state of Kansas during employment by the commission.

⇒ Statutory party affiliation requirement:

⇒ Statutory industry or occupation requirements: Must have familiarity with the horse and dog racing industries sufficient to fulfill the duties of the office of executive director.

Salary: \$75,000.00

Predecessor: Tracy Diel

Board Composition Prior to Confirmation of New Appointee:

N/A

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Committee

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Attachment 4

Stephen L. Martino
1510 SW Boswell Ave.
Topeka, Kansas 66604
785.235.3915
smartinol@cox.net

Current Professional Experience

Dec. 2002 - present Foulston and Siefkin, LLP
Topeka, Kansas

- Engage in litigation defense of medical professionals
- Provide health law counsel to hospitals and health-care providers
- Developed firm's public policy law and government relations practice group

Prior Professional Experience

Kathleen Sebelius for Governor, Deputy Campaign Manager for Finance

- Directed successful campaign's fund-raising operation
- Led efforts to raise \$3.1 million through August primary election

Kansas Insurance Department, Special Adviser to Commissioner Sebelius

- Developed strategic legislative, political and communication planning for commissioner
- Served as the primary staff political adviser to the commissioner

U.S. Department of State, Staff Writer

- Originated, developed and wrote talking points, press releases and for-publication materials for the Denver Summit of the Eight, formerly known as the G7 Summit, on behalf of the United States delegation

Louisville Courier-Journal, Copy Desk Editor

- Worked on the regional, wire and sports copy desks for a 320,000-circulating, four-edition newspaper under tight deadlines

Education

Washburn University School of Law - Topeka, Kansas

Juris Doctor, Dean's Honors, 2001

- Washburn Law Journal, Staff Writer

University of Kansas - Lawrence, Kansas

Bachelor of Arts, Political Science, 1995

Bachelor of Arts, Journalism, 1996

- William Randolph Hearst National Writing Competition
First Place, Profile Writing
- William Randolph Hearst National Writing Contest
Finalist
- Pulliam Journalism Fellowship, Indianapolis News
- Dow Jones Newspaper Editing Fund Intern

Activities & Recognition

- Grace Episcopal Cathedral, Member
- Downtown Rotary Club of Topeka, Member
- Cornerstone of Topeka Inc., Board of Directors
- Jayhawk Area Council, Boy Scouts of America,
Executive Board of Council
- Eagle Scout, Boy Scouts of America
- Phi Kappa Tau, University of Kansas,
Board of Governors
- Admitted to practice law before Kansas federal and state courts
- American, Kansas and Topeka bar associations, Member

References upon request.

(for Appointments Office use only)

KBI Check: NA In Process Complete

KANSAS GOVERNOR SEBELIUS APPOINTMENT QUESTIONNAIRE

Position for which you are applying: EXEC DIRECTOR, RACING & GAMING COMMISSION

Full Name (please include title and middle name): MR. STEPHEN LEE MARTINO

Home Address: 1510 SW BOSWELL AVE., TOPICKA KS 66604 SHAWNEE
(City, State, Zip) (County)

Business Address: 555 S. KANSAS AVE, SUITE 101, TOPICKA KS 66603 SHAWNEE
(City, State, Zip) (County)

Business Name: FULLSTON SIEFKIN LLP

Position Title: ATTORNEY

Home Phone: 785 235 3915 Business Phone: 785 233 3600 Cell Phone: 785 213 5305

Facsimile No: _____ E-Mail Address: SMARTINO1@cox.net

Driver's License No _____ Social Security No _____

Date of Birth: 05/08/72 Place of Birth: GANNETT, KANSAS Kansas resident? YES

Registered Voter? YES Party Affiliation: DEMOCRAT

Congressional District: 2 Kansas Senate District: 18 Kansas Representative District: 55

Do you have the legal right to live and work in the United States? YES

Education: B.A., POLITICAL SCIENCE; B.S., JOURNALISM - UNIVERSITY OF KANSAS.

J.D., WASHBURN LAW SCHOOL

Employment Experience: 2002-PRESENT, ATTORNEY, FULLSTON SIEFKIN LLP; 2002, GANNETT FOR INSURANCE COMMISSIONER; 2002, SEBELIUS FOR GOVERNOR; 2000-2001, KANSAS INSURANCE DEPT.

Do you hold any professional licenses? If so, please provide numbers: KANSAS SUPREME COURT NO: 20586

What special skills could you bring to this position? ORGANIZATIONAL, ANALYTICAL AND

LEADERSHIP - DRIVEN SKILLS.

Previous government appointments: NONE

(Please provide dates)

EXPERIENCE AND AFFILIATIONS (Note: All yes answers require a detailed response. Attach a separate sheet if necessary.)

1. Military Service: List rank, date, and type of discharge from active service: N/A
2. Government Experience: List on a separate sheet any experience or association with local, state or federal government (exclusive of elective public office but including advisory, consulting, honorary, or other part-time service or positions), with dates of service:
3. Elective Public Office: List on a separate sheet all elective public offices sought and/or held with dates of service: N/A
4. Honors and Awards. List on a separate sheet all scholarships, fellowships, honorary degrees, honorary society memberships, and any other special recognitions for outstanding service or achievements:
5. Organization Affiliations. List on a separate sheet all local, state, and national civic, cultural, educational, charitable, or work-related organizations you have been associated with in the past ten years. Include any position held in the organization and the dates of service.
6. Organization Restrictions: To your knowledge, is any organization listed above restricted on the basis of race, color, religion, sex, national origin, disability, marital status, or veteran status? If yes, please describe: No Yes _____
7. Issues. Have you ever been publicly identified, in person or by organizational membership, with a particularly controversial national or local issue? If so, please describe. No Yes _____
8. Submission of views. Have you ever submitted oral or written views to any governmental authority, whether executive or legislative, or to the news media on any particular controversial issue other than in an official governmental capacity? If yes, please describe. No Yes _____
9. Associations. Have you ever had any association with any person, group, or business venture that could be used, even unfairly, to impugn or attack your character and qualifications for the position to which you seek to be appointed? If yes, please describe. No Yes _____
10. Opposition. Do you know of any person or group who might take overt or covert steps to attack, even unfairly, your appointment? If yes, please identify and explain the basis for the potential attack on a separate sheet. No Yes _____
11. Miscellaneous. List on a separate sheet any factors, other than the information provided above, which particularly qualify you or are relevant to the position to which you are seeking appointment? Include any special skills.

CONFLICTS OF INTEREST: (Yes answers require a detailed response. If necessary, use a separate sheet.)

12. Relationship to governmental employees. Are you or your spouse or other close family members related to any state governmental official or employee? If yes, please provide details. No ___ Yes X
13. Compensation. During the past five years have you or your spouse or other close family members received any compensation or been involved in any financial transaction with the State of Kansas? If yes, please explain. No ___ Yes X
14. Business relationships. Describe on a separate sheet any business relationship, dealing, or financial transaction which you have had during the last five years, whether for yourself, on behalf of a client, or acting as an agent, which you believe may constitute an appearance of impropriety or result in a potential conflict of interest in the position to which you want to be appointed. If none, please so state. NONE
15. Transactions with officials. During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with any state government official? If, yes, please explain on a separate sheet. No X Yes ___
16. Spouse or other family members. If the nature of employment for your spouse or other close family member is related in any way to the position to which you want to be appointed, please indicate the employer, the position, and the length of time it has been held. If it is not, please so state. NO
17. Lobbying activities. Describe briefly on a separate sheet any lobbying activity during the past ten years in which you have engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action. Describe briefly any lobbying activity during the last ten years in which your spouse has engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action that is related in any way to the position to which you are seeking appointment. (Lobbying activity includes any activity performed as an individual or agent of another individual, or of any organization that involves direct communication with an official in the executive branch of state government, or any official of the legislative branch.) If none, please so state. _____
18. Regulated activities. Describe on a separate sheet any interest that you, your spouse, or other close family member may have (whether as an officer, owner, director, trustee, or partner) in any corporation, firm, partnership, or other business enterprise and any non-profit organization or other institution that is regulated by or receives direct financial benefits from any department or agency of the State of Kansas. If none, please so state. _____
19. Other. Please describe on a separate sheet any other matter in which you are involved that is or may be incompatible or in conflict with the discharge of the duties of the position to which you seek to be appointed or which may impair or tend to impair your independence of judgment or action in the performance of the duties of that position. If none, please so state. NONE

ETHICAL MATTERS: (Yes answers require a detailed response. If necessary, use a separate sheet.)

20. **Citations.** Have you ever been cited for a breach of ethics for unprofessional conduct by, or been named in a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If yes, please provide details.
No Yes _____
21. **Convictions.** Have you ever been convicted of or entered a plea of guilty or nolo contendere or forfeited collateral for any criminal violation other than a minor traffic offense? (Minor traffic offenses do not include the Kansas offenses of driving under the influence, operating while impaired, reckless driving, or the equivalent offenses in other states.) If yes, please explain.
No Yes _____
22. **U.S. Military convictions.** Have you ever been convicted by any military court? If yes, please provide details. No Yes _____
23. **Imprisonment.** Have you ever been imprisoned, been on probation, or been on parole? If yes, please provide details. No Yes _____
24. **Agency proceedings: Civil Litigation.** Are you presently, or have you ever been, a party in interest in any administrative agency proceeding or civil litigation that is related in any way to the position to which you are seeking appointment? If yes, please provide details.
No Yes _____
25. **Agency proceedings and civil litigation of affiliates and family.** Has any business in which you, your spouse, close family member or business associate are or were an officer, director or partner been a party to any administrative agency proceeding or civil litigation relevant to the position to which you are seeking appointment? If yes, please provide details. (With respect to this question, you need only consider proceedings and litigation that occurred while you, your spouse, close family member, or business associate were an officer of that business.)
No Yes _____
26. **Other litigation.** Other than the litigation described above, have you or any business in which you are or were an officer, director, or partner been a plaintiff or a defendant in a civil lawsuit? If yes, please describe. Is anyone currently threatening to sue you or any business in which you are an officer, director, or partner? If yes, please describe. No Yes _____
27. **Drivers license.** Has your drivers license ever been suspended or revoked? If yes, please describe. No Yes _____
28. **Parking tickets.** Do you have outstanding parking tickets from any jurisdiction in Kansas that have remained unpaid for more than 60 days? If yes, please explain. No Yes _____
29. **Security clearance denial.** Have you ever been denied a military or other governmental clearance? If yes, please explain. No Yes _____

30. Firings. During the past ten years, have you been fired from a job for any reason? Did you quit after being told that you would be fired, or did you leave by mutual agreement because of specific problems? If yes, please provide details. No Yes
31. Alimony and child support. Are you now, or have you ever been delinquent in the payment of alimony or child support? If yes, please provide details. No Yes
32. Consumption of alcohol. Are you currently abusing alcohol? No Yes
33. Controlled substances. Are you currently engaged in the illegal use of a controlled substance or abusing the use of a prescribed controlled substance? If yes, please describe. No Yes
34. Physical examination. If you receive a conditional offer of appointment or employment, would you be willing to take a physical examination, which may include a drug test? No Yes
35. Other. Please provide any additional information, favorable or unfavorable, which you feel should be considered in connection with your appointment.

FINANCIAL MATTERS: (Yes answers require a detailed response. If necessary, use a separate sheet.)

36. Delinquencies. Are you delinquent on any federal, state, or local debt? (Include delinquencies for income, property, or other taxes; governmental loans; overpayment of benefits; required payments into or under governmental programs; and other debts or required payments to the government; plus any defaults on or under loans which are or were guaranteed, insured, or subsidized by any unit of government.) If yes, please provide details on a separate sheet of paper. No Yes

REFERENCES/SIGNIFICANT SUPPORTERS (elected officials, community leaders, friends, etc.)

Name: TOM EBLEN Relationship to you: FRIEND

Telephone: 785 865 3634

Name: ED McKECHNIE Relationship to you: FRIEND

Telephone: 620 231 1669

Name: JOHN POLZOL Relationship to you: FRIEND

Telephone: 785 246 0085

Name: PAUL DAVIS Relationship to you: FRIEND

Telephone: 785 749 1942

AUTHORIZATION AND CERTIFICATION:

The facts set forth in my application are true and complete. False statements, answers, or omissions on this application shall be sufficient cause for nonconsideration or for dismissal after appointment or employment. I also recognize that my selection is based on receipt of satisfactory information from former employers and references, and upon my ability to perform the essential elements, with or without reasonable accommodations, for the position for which I am applying. I herein authorize investigation, without liability, of the information supplied by me in this application for employment or appointment including academic, occupational, health, law enforcement, and government records. I also authorize listed employers and references, without liability, to make full response to any inquiries in connection with this application for appointment or employment. I understand and agree that the terms, conditions, compensation, benefits, hours, schedule, and duration of my appointment or employment may be determined, changed, or modified from time to time at the will of the appointing authority or designee without limitation or condition. I FURTHER CERTIFY THAT I HAVE READ THE FOREGOING PARAGRAPH AND KNOWINGLY MAKE THIS AUTHORIZATION BY SETTING FORTH MY SIGNATURE.

I understand that if I am required to be registered, licensed, or certified by federal or state law or regulation for the position I seek, I will notify the appointing authority immediately if any investigation, limitation, or cancellation of my registration, licensure, or certification occurs. If any investigation, probation, limitation, or cancellation occurs, I understand that my failure to notify my appointing authority as described above will result in the termination of my appointment or employment.

Signature Raymond L. Hunt Date Feb. 1, 2005

Please attach a copy of your resume if you have not previously provided one to the Appointments office.

Supplemental responses to governor's appointments questionnaire

2. Government Experience.

March to July 1997/Special appointment to U.S. Department of State/Served on communications staff providing support to U.S. delegation to G8 Summit in Denver

January 1998 to February 2000/Director of Special Projects, Office of the Kansas Democratic Leader/Performed assigned tasks as part of legislative staff

February 2000 to December 2001/Special Adviser to Insurance Commissioner Kathleen Sebelius/Performed assigned tasks, including legislative, communications and political responsibilities (part-time while in law school)

4. Honors and awards

Eagle Scout/Boy Scouts of America

Dow Jones Editing Fund Intern (worked summer of 1994 at Wyoming Tribune-Eagle)

William Randolph Hearst National Writing Contest/National Writing Champion (Profile Division)

William Randolph Hearst National Write-off/Finalist (San Francisco 1995)

Pulliam Fellowship (Indianapolis News)

5. Organization Affiliations

Phi Kappa Tau Fraternity (social)

1990-present

Recruitment chairman, 1991

President, 1992

Board of Governors, 2003-present

Phi Alpha Delta Fraternity (legal)

1999-2001

Democratic Leadership Council

1999-present

American Bar Association

2002-present

Kansas Bar Association

2002-present

Topeka Bar Association
2002-present

Rotary Club of Topeka
2003-present

Jayhawk Area Council, Boy Scouts of America
Executive Board, 2004-present

Cornerstone of Topeka, Inc.
Board of Directors, 2003-present

12. Relationship to governmental employees

My wife, Beth Martino, is the director of communications and marketing for the Kansas Department of Labor.

13. Compensation

I was a continuous full-time employee of the State of Kansas from 1998 to 1999 and a continuous part-time employee of the state from 1999 to 2001. My wife has been an employee of the state since January 2004.

17. Lobbying activities

In January 2005, I became a registered lobbyist for Foulston Siefkin LLP in support of that firm's Public Policy Law and Governmental Relations practice group. In February 2005, I became registered to represent Rooks County Hospital.

18. Regulated activity

I am a member of the board of directors of Cornerstone of Topeka Inc., a not-for-profit organization that works to transition persons, particularly families with children, from homelessness to housing and further provides services to stabilize their lives. Cornerstone applies for various grants and other funds made available through the state housing agency.



KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION:

PLEASE TYPE OR PRINT

MARTINO

STEPHEN

L.

Last Name

First Name

MI

BETHANY R. MARTINO

Spouse's Name

1570 SW BASWELL AVE.

Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

TOPEKA, KS 66604

City, State, Zip Code

785 235 3915

Home Phone Number (include area code)

785 233 3600

Business Phone Number (include area code)

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:

(check one or more of the following)

1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for a State Agency;
6. Candidate for State Office.

RACING & GAMING COMMISSION

List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

EXEC. DIRECTOR

Division if applicable (May use acronyms)

Position

The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

9 6 3 6

C. OWNERSHIP INTERESTS: List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here _____

BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	PERCENT OF OWNERSEIP INTERESTS	HELD BY WECOM
1. VIKINGUM PARTICIPANT SERVICES ADDRESS UNKNOWN	STOCK (MUTUAL FUND HOLDING CO.)	401(k) INVESTMENTS	\$17,000	SPRATT
2. CHARLES SCHWAB ADDRESS UNKNOWN	STOCK (MUTUAL FUND HOLDING CO.)	IRA INVESTMENTS	\$20,000	BOTH
3. DODGE & COX D.O. BOX 8422 BOSTON MA 02266	MUTUAL FUND	IRA MUTUAL FUND	\$10,000	BOTH
4.				
5.				
6.				
7.				
8.				
9.				
10.				

D. GIFTS OR HONORARIA: List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here

NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY:
1.		
2.		
3.		

E. RECEIPT OF COMPENSATION: List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "E", CHECK HERE ____
If you have nothing to report in Section "E"1, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.	FOULSTON SIEFRIN LLP	555 S. KANSAS, #101, TOPICA 66603	LAW FIRM
2.			

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
If you have nothing to report in Section "E"2, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.	STATE OF KANSAS	401 TOPICA BLVD., TOPICA 66603	STATE GOVERNMENT
2.	KIDS VOTING KANSAS	P.O. BOX 735, TOPICA, KS 66601	NOT-FOR-PROFIT ORGANIZATION

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
If you have nothing to report in Section "F", check here ____.

	BUSINESS NAME AND ADDRESS	POSITION HELD	HELD BY WHOM
1.	CORNERSTONE OF TOPICA INC. 1195 SW BUCHANAN, TOPICA KS 66604	MEMBER BOARD OF DIRECTORS	STEPHEN MARTINO
2.	JAYHAWK ALPHA COUNCIL, BOY SCOUTS OF AMERICA 1020 SE MARLSON, TOPICA KS 66612	MEMBER, EXECUTIVE BOARD	STEPHEN MARTINO
3.	TOPICA SOUTH ROTARY	MEMBER OF PATE BOARD	BETH MARTINO
4.			
5.			
6.			
7.			
8.			

G. RECEIPT OF FEES AND COMMISSIONS: List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here X.

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			

E. DECLARATION:

I, STEPHEN MARINO declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

FEB 1, 2005

Date

Stephen L. Marino

Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES _____

Return your completed statement to the Secretary of State, Memorial Hall, First Floor, 120 SW 10th Ave., Topeka, Kansas 66612-1594.