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Physical Address: 123 N. Jefferson, Wellington, Kansas 67152
Mailing Address: P. O. Box 279, Wellington, Kansas 67152
Office Phone Number: (620) 326-8779 Office Fax Number: (620) 326-6544
Email Address: scedc@co.sumner.ks.us
Website: www.gosumner.com

To: Honorable Senator Brungardt, Chairman
Members of the Committee on Federal and State Affairs

2012
BOARD OF
DIRECTORS

Date: February 1, 2012

Re: SB 319

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Candace Wolke
Chairman

Julie Gooch
Vice-Chairman

Katherine Terry
Treasurer

Dr. John Brewer

John Cooney

Diana Locke

John Schlickau

Casie Risley

Leo Schiltz

STAFF

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Janis Hellard
Director

Tiffany Bonfiglio
Administrative
Assistant

Chairman, Members of the Committee, thank you for allowing us to submit testimony on Senate Bill 319. The Sumner County Economic Development Commission would like to present our concerns regarding this bill as it is currently written.

- Our first concern is that SB 319 changes the distribution of revenue from what was set forth in Senate Bill 66. As you will recall, in our gaming zone there are two counties, Sumner and Sedgwick. Under Senate Bill 66, there was a total of 3% that was split between the county where the racetrack was located, the county where the racetrack was not located and a city if the racetrack was inside the city limits. This bill only provides for 2% and the entire 2% goes to the host county if it is not in a city limits. We believe the revenue split should remain the same as in Senate Bill 66. It is only fair that if the revenue is shared from the casino that the arrangement should remain the same for the racetrack. This bill excludes the non-host county in the zone.
- We are also concerned with the fact that it does not state in this bill that the issue would have to be put to a vote of the citizens. We believe this is an important issue and the citizens should be allowed to vote on whether or not they want this to be in their county.
- Our other concern with this bill is what will be the fiscal note to the State of Kansas, Sumner County, the City of Mulvane and Sedgwick County. Will a slot machine at a racetrack generate substantially less revenue for each of the political entities than a slot machine at a casino? It appears there are different formulas used to calculate racetrack revenue (net) as opposed to casino revenue (gross). If that is the case, do we want to risk losing some of that revenue by having slots at the racetracks where gamers might go instead of going to the casinos? We would appreciate it if someone could do the calculations on this and provide those findings to all of us and the legislature for their consideration when making decisions on this bill. There may be no difference but we need to know that before the legislature makes any decisions.
- SB 319 lends itself to some additional concerns that we did not notice in the other bills up for consideration. This bill allows the same person to be the manager of the lottery gaming facility and the racetrack. This was specifically prohibited in Senate Bill 66. In all zones except the South Central zone the same group could do both but in South Central the bill limits the racetrack to Sedgwick County and specifically to the Wichita



SCEDC
Committed to Improving the Economy of Sumner County

Sn Fed & State
Attachment 8

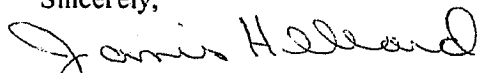
2-1-12

January 30, 2012
Page 2

Greyhound Park. We believe this is pre-selection for the benefit of one company and is highly discriminatory.

Thank you for your time in giving these concerns careful consideration. We hope our testimony has been helpful to you in understanding our concerns regarding this bill.

Sincerely,



Janis Hellard, Director



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To: Honorable Senator Brungardt, Chairman
Members of the Committee on Federal and State Affairs

2012
BOARD OF
DIRECTORS

Date: February 1, 2012

Re: SB 237

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Candace Wolke
Chairman

Julie Gooch
Vice-Chairman

Katherine Terry
Treasurer

Dr. John Brewer

John Cooney

Diana Locke

John Schlickau

Casie Risley

Leo Schiltz

Chairman, Members of the Committee, thank you for allowing us to submit testimony on Senate Bill 237. The Sumner County Economic Development Commission would like to present our concerns regarding this bill as it is currently written.

- Our first concern is that SB 237 changes the distribution of revenue from what was set forth in Senate Bill 66. As you will recall, in our gaming zone there are two counties, Sumner and Sedgwick. Under Senate Bill 66, the county where the racetrack was not located was to receive 1%. This bill allots the entire 3% to the county in which the facility is located if it is not within the limits of a city. We believe the revenue split should remain the same as in Senate Bill 66. It is only fair that if the revenue is shared from the casino that the arrangement should remain the same for the racetrack.
- We are also concerned with the fact that it does not state in this bill that the issue would have to be put to a vote of the citizens. We believe this is an important issue and the citizens should be allowed to vote on whether or not they want this to be in their county.
- Our other concern with this bill is what will be the fiscal note to the State of Kansas, Sumner County, the City of Mulvane and Sedgwick County. Will a slot machine at a racetrack generate substantially less revenue for each of the political entities than a slot machine at a casino? It appears there are different formulas used to calculate racetrack revenue (net) as opposed to casino revenue (gross). If that is the case, do we want to risk losing some of that revenue by having slots at the racetracks where gamers might go instead of going to the casinos? We would appreciate it if someone could do the calculations on this and provide those findings to all of us and the legislature for their consideration when making decisions on this bill. There may be no difference but we need to know that before the legislature makes any decisions.

STAFF

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Janis Hellard
Director

Tiffany Bonfiglio
Administrative
Assistant

Thank you for your time in giving these concerns careful consideration. We hope our testimony has been helpful to you in understanding our concerns regarding this bill

Sincerely,

Janis Hellard, Director



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