

Richard Petersen-Klein, Executive Director

Sam Brownback, Governor

**Before the Senate Federal and State Affairs Committee**

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Comments of  
Richard Petersen-Klein, Executive Director  
Kansas Racing and Gaming Commission  
Senate Bill 319

Chairman Brungardt and Members of the Committee:

Good morning and thank you for the opportunity to speak to the committee regarding Senate Bill 319.

The Kansas Racing and Gaming Commission (KRGCC) is taking a neutral position on Senate Bills 237, 241 and 319 currently before this committee. The KRGCC considers the enactment of Senate Bill 319 to be a policy decision for the Legislature to make. However, the KRGCC wishes to address Senate Bill 319 to convey to the committee the potential impact the enactment of Senate Bill 319 would have on the ability of the KRGCC to regulate parimutuel wagering in Kansas.

A major focus of SB319 is to improve economic viability of racetrack operations and to improve the purse structure for horse and greyhound owners by changing the distribution of net electronic gaming machine revenue as currently provided by statute. It is important to realize, however, that the Kansas Parimutuel Racing Act, as amended by SB 319, continues to permit licensing of parimutuel racetrack facility operators and fair associations that could operate *without* electronic gaming machines. Historically, parimutuel tax receipts funded over 90% of the KRGCC's cost of regulating parimutuel wagering in Kansas. Senate Bill 319 changes the distribution of parimutuel tax receipts, eliminating that funding source. If this change in distribution is allowed to occur, the KRGCC would have no direct funding source for the regulation of racetrack facilities and fair associations that conduct parimutuel wagering without electronic gaming machines.

Thank you for your consideration of these comments. I am available for questions at the committee's convenience.