



KANSAS HEALTH INSTITUTE

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Senate Federal and State Affairs Committee

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SB 215

Amendments to the Kansas Expanded Lottery Act; race track gaming; other.

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Information for policymakers. Health for Kansans.

The Kansas Health Institute is a nonprofit, nonpartisan, independent health policy and research organization based in Topeka, Kansas. Established in 1995 with a multiyear grant from the Kansas Health Foundation, the Kansas Health Institute conducts research and policy analysis on issues that affect the health of Kansans.

Chairman Ostmeyer and Members of the Senate Federal and State Affairs Committee:

Thank you for the opportunity to provide neutral testimony on SB 215, which would modify the Kansas Expanded Lottery Act. My name is Tatiana Lin and I am a Senior Analyst with the Kansas Health Institute, where I lead work on community health improvement.

SB 215 would allow new gaming opportunities at pari-mutuel race tracks. It also would reduce the investment requirement from \$225 million to at least \$50 million and the privilege fee from \$25 million to \$5.5 million for a state-owned casino in Southeast Kansas.

The Kansas Health Institute (KHI) is a nonprofit, nonpartisan, independent health policy and research organization committed to providing evidence-based information to improve public policymaking in Kansas. KHI is primarily funded by the Kansas Health Foundation for the specific purpose of informing policymakers about issues related to health and health care. KHI does not advocate for specific policy positions or take positions on legislation. My testimony today is neutral on HB 2168 but provides information I hope you find useful as you consider the bill. The testimony will only focus on the casino-related portion of the bill.

In 2012, KHI in collaboration with the University of Kansas School of Medicine - Wichita developed the first Health Impact Assessment (HIA) in Kansas on potential gaming development in the southeast part of the state. An HIA is a new tool that brings health considerations into policy discussions and recommends evidence-informed strategies to maximize potential positive health impacts while mitigating negative health impacts.

Concerns about the economy and health are not new for Southeast Kansas residents. The two counties in the Southeast Kansas Gaming Zone, Cherokee and Crawford, are among the least healthy in the state, as indicated in the *County Health Rankings*. Some residents of these counties and other parts of Southeast Kansas struggle with high unemployment rates and high rates of premature death, poverty, obesity and other health problems. The region's struggles with health highlight the importance of considering the potential health benefits and health risks involved with developing a casino in the Southeast Kansas gaming zone.

The HIA report delves into the health effects of a casino in Southeast Kansas and is summarized in the attached issue brief, *Health Impact Assessments Help Link Policy Decisions with Effects on Public Well-Being*. Both documents are provided for your convenience. The report is based on findings from reviews of relevant literature and local data, along with invaluable input and participation of local and state leaders and community members.

The HIA results suggest that even after accounting for effects from existing casinos in nearby Oklahoma, residents of Cherokee and Crawford counties likely would experience some added positive and negative health impacts from a new casino. These impacts are discussed in three main areas of the report: casino employment (page 30), tourism (page 41) and access to gambling (page 55). In brief, the report found that:

- A casino in Cherokee or Crawford County could have positive impacts on income and insurance coverage from additional employment, especially if local hiring practices are employed. Negative health impacts from this employment could come from shift work and exposure to secondhand smoke.
- Cherokee and Crawford counties may experience an approximate 10 percent increase in overnight tourism and related guest tax receipts, which could benefit the community. Tourism also may bring population growth, which can have positive health implications associated with an increase in a community's socioeconomic status as well as negative health implications due to potential increases in crime and traffic volume.
- Additional access to gambling can lead to problem or pathological gambling. Both are associated with negative personal health consequences and social impacts, including child abuse and domestic violence.

The results of this HIA provide specific information about the Southeast Kansas gaming area. However, some findings in the report also apply to statewide gaming discussions about pathological gambling and the Kansans who are most likely to be affected. Specifically, page 56 of the report discusses populations that are prone to problem gaming, including people who are younger than 29, male, African American or Hispanic, unemployed or on public assistance. Pages 76–78 review the revenues and expenditures of the state's Problem Gambling and Addictions Grant Fund through 2011.

To maximize the economic and health benefits offered by a new Southeast Kansas casino, the HIA included several recommendations. These recommendations are based on the best evidence available and were developed with input from community members who participated in the HIA project.

Here are seven of the main recommendations:

- Train primary care physicians to screen for problem gambling behaviors at medical homes.
- Eliminate smoking within and around casino buildings.
- Strengthen local services to treat and prevent gambling addictions and related conditions.
- Use local hiring practices.
- Enhance traffic enforcement on well-traveled roads to patrol for drivers under the influence.
- Operate a "safe ride" program for casino patrons and community residents.
- Use a "loss limit" strategy to prevent substantial financial losses among casino visitors.

This report is not an endorsement of nor a recommendation against the proposed legislation, and KHI remains neutral on any casino-related decisions. If a casino is brought into the area, the previously mentioned recommendations may help improve the health of Southeast Kansas community members. We hope that you will find the information in the Kansas casino HIA report and brief helpful for informing your discussions and decisions.

If you have any questions regarding this report, please contact me at (785) 233-5443 or tlin@khi.org.