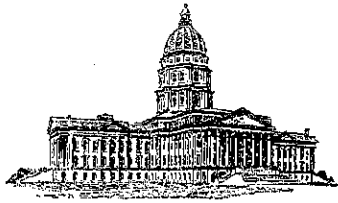


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**Testimony of Representative Larry Hibbard
 Before the Senate Federal and State Affairs Committee
 March 5, 2015**

SENATE BILL 192

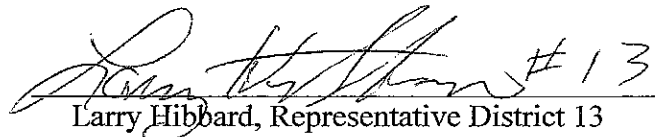
Mr. Chairman,

I would like to thank you and the members of your committee for hearing **Senate Bill 192**. This bill has basically one purpose and that is to reopen the pari-mutuel horse racing tracks in Kansas. Last year, we had a similar bill that reduced the investment threshold for the destination casino zone in southeast Kansas. By getting that fee down to where it was economically feasible, it created renewed interest and now there are four different groups hoping to be the successful bidders on that project. The winners not only include the businesses in southeast Kansas where it will be built, but also the revenue budget for the state which will receive an appreciable amount of the revenue.

My interest in this project stems from being the representative in the 13th District which includes Eureka, home of Eureka Downs, operated by the Greenwood County Fair Association. Eureka Downs was the first pari-mutuel track to open in Kansas. Kansas voters passed pari-mutuel wagering in 1986 and supporters of the Greenwood County Fair Association immediately went to work, first securing the finances and then building an excellent facility with contract laborers and local volunteers. Labor Day weekend of 1988, the tract opened. At that time, pari-mutuel racing was new to the Midwest and when legislature set taxing fees, they basically pulled numbers out of thin air. The high fees made it impossible for Eureka Downs to run profitably due to the thinly populated area in which the Downs was located. Changes were made in state law to provide a County Fair fund, gathered from the larger horse and dog tracks. This helped generate money for purses at both Eureka and Anthony Downs. When the larger tracks could no longer make a go of it because of the 40% tax, that fund evaporated and the County Fair tracks had to shut down. Anthony Downs has since been torn down, but through perseverance of some very loyal people, Eureka Downs has continued to operate as a training facility for local area horses that primarily race in Oklahoma and Iowa.

We have two empty facilities that were basically built because of the trust they had in the State of Kansas to help make them profitable. Changing the tax and getting them back running will be a win-win for the state of Kansas. Not only will we be generating jobs and selling ag products to the horsemen, it will also put much needed revenue in the state treasury. It is my hope that this bill can be brought to the floor of both houses and passed out cleanly.

Thank you, Mr. Chairman.

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 Larry Hibbard, Representative District 13