

# State of Kansas

## Senate Chamber



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### ORAL TESTIMONY ON SENATE BILL 207

The economic impact of SB 207 is staggering for my district and for the State of Kansas. SB 207 would:

- Create more than 4,000 new jobs across Kansas
- Spur \$291 Million in annual wages
- Generate \$23 Million in Annual Local Tax Revenues
- Unleash millions of NEW revenue for the State General Fund
- Produce a \$16 Million impact on Kansas farm, ranch & breeding operations
- Revitalize a key element of our Ag economy related to animal breeding and husbandry.

Prior to the state-owning casinos, at the peak of the Woodlands, there were

- 7,500 horses associated with the racing industry
- \$272 million investment in land, equipment, horses
- 1,350 employed directly
- Presence in almost every county
- \$100 million economic impact

Specific to my Senate district, the Woodlands was a \$60 million initial investment in the late 1980s. The area would be significantly overhauled to accommodate a new era of horse racing entirely at the owner's private expense. In 1990, a year after the Woodlands opened there were 1.7 million fans which visited the attraction. The Woodland employed more than 240 full time employees and had a direct economic operation impact of \$36 million dollars. This was all done prior to STAR Bonds. While the American Royal is seeking \$80M in STAR Bond authorization to attract roughly 100,000 visitors, SB 207 seeks NO STAR Bond authority or other state incentives and the number of visitors is far more significant than anything the Royal would bring. That said, having a premier equine facility down the road from the American Royal would certainly be a significant boost to the overall existing entertainment district which includes shopping, sporting events, water park attractions, multiple hotels, a spa-resort, gaming and other commercial enterprise.

When the Woodlands featured horse-racing, over a 300-day period, 1,200 horses filled The Woodlands to capacity. During the length of training for a 60-day meet, the horses eat 5.5 million pounds of grain, 11 million pounds of hay and would use 200,000 bales of straw nearly all supplies would be locally sourced benefitting the Kansas ag economy. In all, over 30 million pounds of grain and 65 million pounds of hay would be used in a ten-month period to supply an established racing program. Lastly, for every horse

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that makes it to the racetrack, 5 more are at the farm as breeding animals, young developing future racehorses and horses that are used in the area, on the ranch or for pleasure.

Lastly, Oklahoma just south of us changed their law in 2004 to allow for slots at racetracks. A year later, the state saw a \$1.2 billion economic impact with \$49 million of new state and local tax revenue. By 2012, that number had risen to \$3.6 billion with approximately \$100 million in new state and local tax revenue. Pertinent to us, from 2005 – 2012, Oklahoma schools received more than \$122 million in new funding as the state's share of slot revenue.

My closing comments are this is NOT an expansion of gaming in Kansas, the tax parity is fair and our laws are constantly modified to reflect changing times. This is a jobs and economic development bill which doesn't have a state-sponsored incentive price tag.

A handwritten signature in black ink, appearing to read "Steve Fitzgerald". The signature is written in a cursive, flowing style with a large initial "S".