## CITY OF MULVANE

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## <u>City of Mulvane Testimony in Opposition to SB 427</u> Senate Federal and State Affairs Committee April 3, 2018

Chairman Estes and members of the Committee:

On behalf of the City of Mulvane, Kansas, I am writing to oppose SB 427 which would, among other provisions, authorize a revote on slot machines at Wichita Greyhound Park to the detriment of the City of Mulvane and the Kansas Star Casino which is located within our city limits.

On August 7, 2007, Sedgwick County voters, in a lawfully conducted election as proscribed in the Kansas Expanded Lottery Act (KELA) defeated two gaming-related ballot measures, one to allow a casino and one to allow the placement of slot machines in the county including Wichita Greyhound Park. By virtue of that referendum, the placement of slot machines anywhere in Sedgwick County is prohibited until July 1, 2032.

Enactment of SB 427 would violate the casino's contract with the Lottery, state law and the Kansas and U.S. constitutions subjecting the State to steep financial penalties and protracted litigation that could make the State liable for hundreds of millions of dollars in damages. More detail on these risks can be found in Attorney General Opinion 2016-6 (April 22, 2016).

The City of Mulvane relied on the 2007 Sedgwick County rejection of the two gaming measures when it commenced and successfully concluded annexation proceedings for the Kansas Star Casino site. As a result of that annexation, the City of Mulvane endorsed the Kansas Star project which fulfilled a key statutory requirement of KELA.

The City and Kansas Star Casino have forged a mutually beneficial partnership providing tax revenues to Mulvane, \$1.5 million annually for students and teachers in Mulvane and Sumner County schools, expanded emergency medical services, drawing two million visitors annually to our area, providing about 800 direct jobs at the casino along with utilizing local businesses for goods and services.

For these and other reasons the City of Mulvane urges a NO vote on SB 427.

Regards,

Kent Hixson — Mulvane City Administrator

CC:

Sen. Larry Alley

Sen. Dan Kerschen

Rep. Jesse Burris

Rep. Blake Carpenter

Rep. Ed Trimmer

Rep. Anita Judd-Jenkins

Rep. Kyle Hoffman