

April 6, 2017

The Honorable John Barker, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2413 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2413 is respectfully submitted to your committee.

HB 2413 would remove the gaming floors of the Lottery gaming facilities and racetrack gaming facilities from the smoking ban exemption.

As the agency that administers the Kansas Air Quality Act, the Kansas Department of Health and Environment indicates that passage of the bill would have no fiscal effect on the agency. The passage of HB 2413 would have no fiscal effect on the operations of the Kansas Racing and Gaming Commission. Increases or reductions in gaming revenues to the state are unknown and would need to be evaluated based upon all applicable market conditions for each gaming zone or facility. The Kansas Lottery indicates that gaming facilities could experience a reduction in revenue if the facilities were required to be smoke free; however, a precise estimate of that reduction cannot be made. Lottery officials believe that current patrons of Kansas facilities may choose to frequent competing facilities in Missouri and Oklahoma as well as Tribal facilities that continue to allow smoking on their gaming floors. Any fiscal effect associated with HB 2413 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Stephen Durrell, Lottery
Larry Baer, League of Municipalities
Melissa Wangemann, Association of Counties
Dan Thimmesch, Health & Environment
Brandi White, Racing & Gaming Commission
Lynn Robinson, Department of Revenue