

MINUTES OF THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Bill Mason at 1:30 p.m. on February 10, 2003 in Room 313-S of the Capitol.

All members were present.

Committee staff present: Russell Mills, Legislative Research Department
Mary Torrence, Revisor of Statutes
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:

Tracy T. Diel, Executive Director,
Kansas Racing and Gaming Commission and the Kansas State Gaming Agency

Others attending: See Attached

Without objection, a bill was introduced as requested by Representative Rehorn, concerning lotteries - electronic gaming at parimutuel race tracks .

Without objection, a bill was introduced as requested by Representative Burroughs, concerning lotteries - electronic gaming at parimutuel racetracks and electronic and casino gaming at other locations.

Tracy Diel, Executive Director of the Kansas Racing and Gaming Commission (KRGC) presented an overview of the Kansas Racing and Gaming Commission (Attachment 1). The Commission is made up of two separate agencies: the Racing Commission regulates parimutuel greyhound and horse racing and the Kansas State Gaming Agency (SGA) monitors and inspects the Native American Indian casinos operating in the State. The KRGC is funded through a tax on parimutuel wagering, fees charged for licensing, an admission tax and fines levied by the Commission. They currently have forty-three full-time positions and in 2002, the parimutuel wagering handle totaled \$110,832,003.

When the State of Kansas and four tribes entered into compacts to permit Class III gaming, the State Gaming Agency was established to carry out the duties of the State as set forth in state and federal law, as well as the Compacts. SGA is funded through an assessment process established by the Compact and is currently authorized to have twenty-one full-time employees.

HB 2040, the Freedom Restoration Act requires that before a governmental entity can substantially burden the free exercise of religion, it must first show a compelling interest.

Representative Williams made a motion that HB 2040 be passed out favorably. Representative Ruff seconded the motion.

Representative Rehorn made a motion to adopt the amendment suggested by the Kansas Department of Corrections, that would strike language on page 2, line 1 and 2, *The person is in custody in a correctional institution, as defined in K.S.A. 75-5202, and amendments thereto:* and substitute *The burden is related to*

the management and operation of the department of corrections.: Representative Hutchins seconded the motion. The motion carried.

Representative Rehorn made a motion to amend Section 3 to strike the original sentence and substitute *A prevailing party against the state shall be entitled to reasonable attorney fees and costs.* Representative Peterson seconded the motion. The motion carried.

Representative Loganbill made a motion to amend line 40 on page 1, section 2 to include the phrase “*or groups*” after the word *person’s*. Representative Ruff seconded the motion. The motion carried.

CONTINUATION SHEET

Representative Rehorn opposed **HB 2040** because he questioned the constitutionality of the law due to the separation of powers issues. They may be trying to legislate what essentially requires a constitutional amendment. Representative Williams responded that numerous other states have already passed this law, and have withstood judicial scrutiny. The argument that it could be unconstitutional could only be made if the Kansas courts would decide to step away from the established pattern.

Representative Williams made a motion to pass HB 2040, as amended. Representative Hutchins seconded the motion. The motion carried.

The meeting adjourned at 3:10 p.m. with the next meeting scheduled at 1:30 p.m. in room 313-S on February 12, 2003.