

To: House Committee on Federal and State Affairs

From: John Goodyear, Staff Attorney

Date: March 12, 2020

RE: Neutral Testimony on HB 2671

I want to thank Chairman Barker and the members of the Committee for affording the League of Kansas Municipalities the opportunity to provide neutral testimony on HB 2671.

To be clear, the League of Kansas Municipalities is not for or against expanding gaming in Kansas to allow for sports wagering. The piece of the bill that concerns us, and our members, is the exclusion of sports gaming revenue from the definition of “lottery gaming facility revenues.”

In current legislation, gaming facilities contribute either two or three percent of their revenue to local government entities depending on the gaming zone in which the facility is located. When the facility is located within a city, that percentage is split evenly between the city and the county. This contribution is made to help local governments bear the increased local costs associated with having a gaming facility. These costs include things like the maintenance of the streets leading up to the gaming facility and increased law enforcement presence around facilities required due to the increased traffic going to and from the facility.

Sports wagering is something that many people within the state would like to see pass, and, if it does, it is a right that many Kansans and residents of neighboring states will avail themselves of. It is foreseeable that more people will be making their way to these facilities, increasing the burden and costs borne by local government entities. For that reason, we request that if this bill is to move forward, a provision be made for local government entities to receive the same percentage of revenues from sports wagering within the facility as they do from the rest of the revenue produced within the facility.

Thank you for the opportunity to voice the concerns of our member cities. The League would ask that this issue be considered before HB 2671 moves from this committee to the full House for consideration.