



Kansas Restaurant and Hospitality Association
Neutral Testimony
HB 2671
Scott J. Schneider J.D.
House Federal and State Affairs
Thursday March 12, 2020

Chair and members of the committee, the Kansas Restaurant and Hospitality Association supports the idea of sports wagering but would like to request careful consideration of how it may change the sports viewing habits. If done correctly, this bill can be an added entertainment option for our bars and restaurants.

The Kansas restaurant industry employs over 137,000 people and nearly one half of every dollar spent on food in Kansas is through one of our member businesses. Additionally, the industry bring in over a half billion dollars in annual tax revenue. Our association provides solutions to our industry for everything from food safety training to our self-insured workers compensation fund. We have spoken with many of you over the years about how the marketplace is changing to meet the demand of consumers.

The restaurant and hospitality industry has many thoughts on this issue ranging from, “any dollar spent in a location other than ours is a dollar lost,” to “how can we engage to protect our business model.” The KRHA testified last year on sports wagering and asked the House Federal and State Committee not to disrupt the sports viewing marketplace. What does this mean? It’s not until you pay your cable bill based on the maximum number of people allowed in your facility, as determined by the fire marshal, that you fully understand there is a marketplace for sports viewing. Additionally, some places pay as much as \$20,000 annually to the NFL Network for their package of out of market games. We have two main considerations:

- 1) **Do no harm:** The State should not use its authority to disrupt the hospitality industry.
- 2) **If tier two is extended to everyone, also extend it to the hospitality industry.**

HB 2671 is helpful in two ways. First, by allowing up to 1200 “sports wagering retailers” it allows our members some level of interactivity with sports wagering. Second, by extending tier two sports wagering to mobile device applications, our customers can have personal access to the in-game betting.

We would encourage this committee to consider adopting a third component. *Require tier two information be geo cached by location and simply displayed inside a partnered licensed drinking establishment.*

We don’t need to have control or reap the financial advantages of sports wagering, we just need to create an environment our customers find valuable so our members can pay their cable bill.

Thank you for your consideration of our position.

