

To: House Federal and State Affairs

From: John Goodyear, Staff Attorney

Date: March 18, 2021

RE: Neutral Testimony on SB 84

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 today regarding SB 84.

The League has no position regarding whether gaming within the state should be expanded to allow for wagering on athletic events. We would ask again, however, that as the Committee gives thought to this expansion, that a share of revenue for local governments be considered.

In current law, gaming facilities contribute three percent of their revenue to local government entities. This contribution is made to help local governments bear the increased local costs associated with having a gaming facility. These costs include items like the maintenance of the streets leading up to the gaming facility and increased law enforcement presence around facilities. As written, SB 84 excludes revenue from sport wagering from the definition of “lottery gaming facility revenues” and no provision is made elsewhere for local governments to receive a share of the revenue produced by sports wagers.

Sports wagering is something that many people within the state would like to see pass, and, if it does, it is an activity that many Kansans and residents of neighboring states will engage in. When things return to the pre-pandemic norm, we expect that traffic to these facilities will increase as a product of this legislation. Increased traffic to facilities means increased cost to local government and revenue will be needed to offset the cost. For this reason, we ask again that if this bill or the House’s version is to move forward, that a provision be made for local government entities to receive a proportional share of the revenues from sports wagering, in line with what they receive from the rest of the revenue produced within a gaming facility.

Thank you for the opportunity to voice the concerns of our member cities. The League would ask that this issue be considered before SB 84 is passed favorably by the Committee.