

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE.

The meeting was called to order by Chairperson Senator Nancey Harrington at 10:30 a.m. on March 8, 2001 in Room 245-N of the Capitol.

All members were present except: Senator Kay O'Connor, Excused

Committee staff present: Russell Mills, Legislative Research Department
Theresa Kiernan, Office of the Revisor
Nikki Kraus, Committee Secretary

Conferees appearing before the committee:

Tina DeLaRosa, Executive Director, Kansas Advisory Committee on Hispanic Affairs
Martin Bauer, Chair, Kansas Arts Commission

Others attending: See Attached List

Chairman Harrington opened the hearing on:

HB 2300—Concerning Advisory Committee on Hispanic Affairs

Tina DeLaRosa, Executive Director, Kansas Advisory Committee on Hispanic Affairs, presented testimony in favor of the bill. (Attachment 1).

Martin Bauer, Chair, Kansas Arts Commission, stated that he would like to request an amendment so that six commissioners in the Kansas Arts Commission would not come up for reappointment at the same time. He stated that the Advisory Committee on Hispanic Affairs had stated that they had no objection to the amendment to their bill. Ms. DeLaRosa agreed.

Senator Gooch stated that he remembered a similar situation with the African-American commission.

Senator Gooch made a motion to conceptually amend HB 2300. Senator Brungardt seconded that motion. The bill was conceptually amended.

Senator Gooch made a motion to recommend the conceptual amendment favorably to the entire Senate. Senator Teichman seconded the motion. The motion passed.

Chairman Harrington stated that the committee was going to work **SB 156—Electronic gaming machines at parimutuel racetracks.**

Chairman Harrington asked Theresa Kiernan, Office of the Revisor, to go over the bill for the committee. Ms. Kiernan stated that she would answer any questions from the committee.

Chairman Harrington asked the committee and audience for any conceptual amendments to the bill. Senator Chris Steineger submitted a written amendment.

Senator Vratil stated that he would like to make a conceptual amendment to the bill to increase the state's share of slot revenues from 50 million dollars to 75 million dollars.

Senator Gooch stated that he would like to know for what these funds would be designated. Senator Vratil stated that he was opposed to designating funds because he believed that it was bad policy and that it restricted government's ability to budget properly. Senator Gooch stated that while he agreed with Senator Vratil, to

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a point, he still felt that this was an opportunity to link the lottery to education.

Senator Vratil made a motion to conceptually amend the bill. Senator Brungardt seconded the motion. The bill was conceptually amended.

Senator Gilstrap stated that there was some concern as to whether the cities and counties would get any revenue from this bill, and he was interested if there was any provision in the amendment to address that. Senator Vratil stated that it was his understanding that as the bill existed, there was no provision for county revenue, but that it was also his understanding that there was always an intent with the sponsoring of this bill that there would be revenue.

In response to a question from Ms. Kiernan, Senator Vratil stated that when he referred to money going to the state, he meant to the State General Fund.

Senator Gooch stated that if the motion was to increase funds, he would like to raise the percentage even further.

Senator Gooch made a substitute motion to make an amendment to increase funds and then go back to discussion of the bill. Senator Gilstrap seconded the motion for discussion.

In response to a question from Senator Brungardt, Theresa Kiernan briefly went over the law with the committee concerning the percentages of revenues and their recipients.

Senator Gooch stated that he would want everything to remain the same, just increase funding for education/technology. Ms. Kiernan suggested a technical amendment.

Senator Gilstrap stated that he wanted clarification on Senator Vratil's motion. Senator Gilstrap stated that it would affect line 25 so that where it said 20% it would say 30%, and Theresa Kiernan stated that it was to the State General Fund, not to the Kansas Educational Enhancement. Ms. Kiernan stated that she interpreted that to mean that it would reduce the balance of that fund. Senator Gilstrap stated that if it was a greater percentage, then he wanted to know where it was being lowered somewhere else. Ms. Kiernan replied that in subsection B, the operators' share was dropped to 61.75%. Senator Gilstrap then asked if Senator Gooch's amendment would change 20% to 30% to the General Fund or the Education Fund, and Ms. Kiernan stated that she thought it was simply an increase for education. Senator Vratil stated that he thought that Senator Gooch's amendment would mean that the entire 30% would go to the state's Technology Development Fund.

Chairman Harrington asked Senator Gooch if that was his motion, and he agreed.

Senator Teichman asked Senator Gooch to explain his motion again. Theresa Kiernan explained the amendment again, stating that there would be a reduction in what was paid back to the owners and that money would go toward the education fund.

After discussion, the committee voted on Senator Gooch's substitute motion. The votes in favor of the motion included: Senators Gooch, Gilstrap, Teichman, and Brungardt. The votes against the motion included: Chairman Harrington and Senators Vratil, Lyon, and Barnett. Senator O'Connor was excused from the meeting. Senator Gooch's motion did not pass.

Chairman Harrington stated that the committee would vote on Senator Vratil's amendment.

The committee voted on Senator Vratil's amendment to **SB 156**. The votes for the amendment included: Chairman Harrington, and Senators Vratil, Brungardt, Teichman, and Barnett. The votes against the amendment included: Senators Gooch, Gilstrap, and Lyon. Senator Vratil's motion passed.

Senator Gooch stated that he felt that there was a problem with this amendment because there was only an opportunity to do things if there was some kind of designation as to where funds were to go. He stated that he did not think that anyone had anything if there was no way to make sure that some important things were

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going to get underway in connection with this legislation. He stated that he questioned if it was really best to go to Senator Vratil's motion without considering some other things.

Chairman Harrington stated that the committee had voted on the amendment and that Senator Gooch would have an opportunity to vote on the floor. Chairman Harrington recognized Senator Chris Steineger to explain his amendment to the bill.

Senator Steineger stated that his amendment was mostly technical cleanup. He stated that Senator Vratil's amendment still needed that technical cleanup. Theresa Kiernan gave a brief explanation of the technical changes needed in the bill, such as that fact that it stated that the lottery would be extended until the year 2012, in conflict with other legislation.

Senator Vratil made a motion to amend the bill to delete the lottery extension until 2012. Senator Gooch seconded that motion. The amendment passed.

Ms. Kiernan also stated that the committee needed to amend the lottery bill because the way that it was written would apply to slot machines; one bill allowing them and one not. She stated that **HB 2038** stated that no lottery machines would be allowed in the state of Kansas and that would conflict with the definition of lottery machines, which referred to slots. She also explained other technical amendments which would need to be done to the bill.

Senator Vratil stated that the Lottery conference committee had specifically prohibited slots, and if this bill passed, that would have to be changed.

Senator Steineger stated that Senator Vratil was correct and that there was an arcane ban on slot machines in the Lottery bill **HB 2038**.

Chairman Harrington asked the committee for any additional amendments, and there were none.

Senator Lyon made a motion to recommend **SB 156** favorably to the entire Senate. The motion was seconded by Senator Barnett. The motion passed.

Chairman Harrington stated that Senator Gooch would be assigned to carry the bill on the floor.

The committee was adjourned at 11:45 a.m. The next meeting is scheduled for 10:30 a.m. on March 13, 2001.