

SESSION OF 2003

SUPPLEMENTAL NOTE ON SENATE BILL NO. 6

As Amended by House Committee of the Whole

Brief*

SB 6, as amended, would alter the statute governing compensation for members of the Kansas Racing and Gaming Commission and repeal the current requirement for a yearly financial compliance audit of the Commission. The bill would change current law which allows the Governor to set compensation for Commissioners and set future compensation to the per diem rate paid to legislators. The bill would be effective upon publication in the *Kansas Register*.

Background

SB 6 originally pertained only to the financial audit, and was recommended by the Legislative Post Audit Committee. According to the original fiscal note by the Division of the Budget, enactment of SB 6 as introduced would save \$6,900 (all funds) in FY 2004. The funding of the contract is equally split between the Tribal Gaming Fund and the State Racing Fund. The Legislative Post Auditor testified that elimination of the yearly financial audit would not increase the risk to the State since other compliance and control audit work would still monitor the financial compliance activities of the Commission. The Legislative Post Auditor also pointed out that the tracks and casinos will continue to have their own separate audits. The financial compliance audit consists of an analysis of the Commission's financial activity in the state accounting system. The compliance audit is performed under a contract that the Racing and Gaming Commission has with the Legislative Division of Post Audit. The audit is conducted by an outside accounting firm hired by the Legislative Division of Post Audit.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/klrd>

The House Committee of the Whole amendment would change how compensation for members of the Racing and Gaming Commission is set. Under current law, the Governor fixes the amount of compensation. Since the original Commissioners were appointed in the 1980s, compensation has been set at \$2,000 per month by each successive Governor. The total budgeted amount for five commissioners is \$120,000 in FY 2004. No fiscal note has been submitted to reflect the changes associated with the House Committee of the Whole amendment.