MINUTES OF THE HOUSE COMMITTEE ON FEDERAL & STATE AFFAIRS
The meeting was called to order byRepresentative Ginger Barr at Chairperson
1:35 & M./p.m. on February 9, 1989 in room 526-S of the Capitol.
All members were present except: Representative Peterson Representative Roper
Committee staff present: Mary Galligan, Kansas Department of Legislative Research Juel Bennewitz, Secretary to the Committee
Conferees appearing before the committee: Galen Davis, Office of the Governor John Luttjohann, Director of Taxation, Department of Revenue (DOR)

PROPONENTS - HB 2172

Representative Carol Sader
Susan Wagle, Bingo Hall Owner, Wichita, Kansas
Thomas Frenn, Southwest Bingo, Topeka, Kansas
Roger Hart, Bingo Hall Manager, Johnson County, Kansas
Jean Hanley, VFW Auxiliary, Olathe, Kansas
Marvin Wingert, Parents Without Partners, Topeka, Kansas
Dwight Ferguson, Topeka Jaycees
Patty Gerdel, Families Together, Inc., Topeka, Kansas
Lee Schwartz, The Carpet Centers, Inc., Topeka, Kansas

OPPONENTS

Jon Brax, Kansans for Life at

Its Best
Chuck Yunker, American Legion
Joe Berger, Sunflower Club Assn.
John Kennedy, Knights of Columbus,

Kansas City, KS
Frank Gaynor, Kansas City, KS

PROPONENTS - HB 2118

Representative Rick Bowden Jon Brax, Kansans for Life at Its Best

Chairman Barr called the meeting to order at 1:35 p.m.

Galen Davis, Office of the Governor presented a bill draft which seeks mandatory sentencing for drug trafficking within a thousand feet of a school, Attachment No. 1. The bill would apply to existing law and not change any of the existing law. It was requested this be introduced as a committee bill. Representative Aylward moved to introduce the bill. Representative Cates seconded the motion which passed on a voice vote.

нв 2172

Representative Sader stated the bill had been introduced at the request of a constituent. She listed the proposed changes and emphasized raising the prize limits does not compel increases but permits them, and the number of days per week premises may be used for bingo is not increased, Attachment No. 2.

Representative Sutter expressed concern regarding broadening the original intent of the statute governing bingo and the potential for eliminating small groups and organizations competing for bingo participation. Representative Sader explained the bill was prompted by a constituent whose church organization bingo had been impacted by Missouri's higher limits.

Representative Douville questioned raising the limits to compete with Missouri as a possible basis for additional limits increases if Missouri should respond in kind. Representative Sader responded the intent was not to encourage gambling but to encourage additional prize money for those presently gambling in Missouri.

CONTINUATION SHEET

MINU	TES OF	THE HOUS	<u>E</u>	COMMITTEE ON	FEDERAL AND STATE AFI	FAIRS
room	526-s	Statehouse at	1:35	5 XXm/n.m on	February 9	19.89

Representative Sprague cited the reference to the original intent of the law and asked for a definition. Representative Sader explained her understanding was to provide bingo in Kansas and provide revenue to non-profit organizations and additional revenue to local taxing units of the state.

Susan Wagle, owner of a bingo hall, advocated raising the prize limits and cited the competition offered by the surrounding states, Attachment_No. 3.

It was established through questions from the committee that Ms. Wagle had not contacted the attorney general's office for an opinion regarding the relationship of bingo to organized crime; that she would see an increase in her profit as she is a for profit management serving non-profit organizations; assessed value on two of her properties has doubled and business is not lost to the Kansas lottery but to bingo in a bordering state.

Thomas Frenn testified in support of the bill and cited the competition by in-state Indian reservations, <u>Attachment No. 4.</u> In response to questions from the committee, Mr. Frenn described the age group of his clientele; stated he had not sought an opinion from the attorney general's office regarding the bill.

Roger Hart, bingo hall manager, testified in support of the bill. He discussed his interpretation of the intent of the 1985 Kansas bingo legislation and its impact on bingo revenues, Attachment No. 5. Representative Sprague questioned whether it is good public policy for a non-profit organization to base its budget on bingo revenues. Mr. Hart referred to the percentage of bingo revenues as being distributed to the state and local units of government.

Jean Hanley spoke in support of the bill and presented a summary of activities sponsored by the VFW auxiliary as a result of bingo revenues, Attachment No. 6.

Marvin Wingert was a porponent of the bill but did request changing a provision under section one, paragraph5, Attachment No. 7.

Dwight Ferguson listed activities sponsored by the Jaycees whose major fund raising is from bingo, Attachment No. 8. Included with the testimony was a pamphlet describing the Topeka Jaycee organization, Attachment No. 8A.

Patty Gerdel supported HB 2172 though she requested a change to subsection (s), lines 110-114, page 3, Attachment No. 9.

Lee Schwartz reinforced the position presented by Ms. Gerdel, Attachment No. 10.

John Luttjohann testified (as a neutral) the Kansas Department of Revenue (KDR) did not anticipate significant changes in revenue with the changes suggested by HB 2172; and the major impact would be to decrease the number of bingo players at smaller games while increasing the number at large facilities, Attachment No.11.

He commented on subsection (s) mentioned by previous conferees and stated the structure of the law is to permit a non-profit organization owning its facility has precedence. There does not appear to be grandfathering potential under the current statute for non-profit groups operating from leased premises.

In response to questions from the committee, Mr. Luttjohann stated:

- 1. KDR testified on SB 69 and has no official position on expanding the number of days for bingo now that an enforcement structure in in place;
- 2. Monies from bingo sales tax are divided as follows:
 - 1/3 bingo enforcement
 - 1/3 state general fund
 - 1/3 local units of government
 - totalling approximately \$720,000.00 per year;
- 3. KDR does not anticipate a significant increase in bingo volume from other states to Kansas with this proposal.

CONTINUATION SHEET

MINUTES OF THE _	HOUSE	_ COMMITTEE ON	FEDERAL AND	STATE AFFAIRS	
					•
room 526-S Stateho	use at $1:3$	5 *** n./p.m. on	February 9		19 89

Jon Brax testified in opposition to the bill by drawing an analogy to a current play and movie concluding "legal gambling saps the lifeblood of a society", Attachment No. 12.

Chuck Yunker opposed the bill on the basis it does not represent the needs of all groups conducting bingo games, Attachment No. 13.

Joe Berger opposed the bill stating it would lower attendance at small groups sponsoring bingo for fund raisers, Attachment No. 14.

John Kennedy opposed HB 2172 on the basis it would benefit bingo parlors and reduce participation at bingo used as fund raisers by small groups.

Frank Gaynor stated opposition to the bill claiming bingo was established for the elderly and the bill would not enhance the financial position of those on fixed incomes.

Representative Douville explained he had received a call fromt he attorney general with an opinion, Attachment No. 15.

Attachment No. 16 is written testimony from James Blaylock, Olathe Girls Softball Association, in support of the bill.

Attachment No. 17 is a request from the attorney general for the committee to introduce a bill establishing a day care center for state employees. Representative Jenkins moved to introduce the bill as a committee bill. Representative Sughrue seconded the motion which passed on a voice vote.

Attachment No. 18 is a memo from the attorney general to the chairman explaining the attorney general's lack of enforcement power regarding the Kansas Open Record Act. Representative Jenkins moved to introduce the bill as a committee bill, Representative Douville seconded the motion which passed on a voice vote.

HB 2118

Representative Bowden's testimony explains the reason for the bill - the ease with which underage youth can obtain beer - is Attachment No. 19.

Jon Brax appeared as a proponent on the bill, <u>Attachment No. 20</u> and distributed copies of SB 152, <u>Attachment No. 20A</u>, a bill which was the result of the Attorney General's Task Force on Drugs.

Representative Roy cited the comprehensive work of a subcommittee eight months previously which essentially doubled most penalties and brought uniformity to a variety of areas related to this violation. The subcommittee's work had broad based support from most special interest groups. He questioned if it would be the intent to "inch up" the penalties each year. Mr. Brax related his group did not initiate the request but does support it. SB 152 has been heard by the Senate Judiciary Committee.

The meeting adjourned at 3:08 p.m.

The next meeting of the committee will be Monday, February 13, 1989, 1:30 p.m. in Room 526-S.

GUEST LIST

FEDERAL & STATE AFFAIRS COMMITTEE

DATE February 9, 1989

(PLEASE PRINT) NAME	ADDRESS	WHO YOU REPRESENT
JOE BERGER	TopeKH	SUNFLOWER ELUB MSSOS
Marvin D Wingert	Topeka	RW.P.
Dwight Ferguson	1735 NW Lyman Roud #14	Topesa Jaycees
Chuck Yunker	Topeka	AMERICAN LegiON
TOM WASLE	WichtA	Wichela non- profits organizations
Jusan Wagle	(e) ichta	18 NON-profit - Testinone
CARL Williams	Topexa	JOEDAN PATERSON 319 AMERICAS
Carol Sader	Pravie Vellage	Leg.
Galen Davis	Sepeta	Les dernois Office
Len Bako	Touka	LEMB "
form Frence	Toucha	SW BINGO Bingo Palace O.B. S. A.
Kan Bart	Olalke	Dhev Shalom O.Y.B.A.
Alledene Hent	1) lathe	VFW auf
Jean Hanley	Datha	V.F.W. 2993 Aux-
alledo Bay	Donaka	Capilal Bergo
JACK MCCORP	TOPEK A	DEM OT KEV
BOB RENFRO	TOPERA	· * 4 W
Phil Wilkes	i,	((
Dobbie Bengtson	Lawnence	
LEE Schwarz	TOPE/RIA	
Patty Serdel	420 Yorkshir Japaka	Samulie Jagethu Inc.
<i>P</i>		

HOUSE	BILL	NO.	
-------	------	-----	--

AN ACT concerning controlled substances; relating to mandatory sentences; amending K.S.A. 1988 Supp. 65-4127a and 65-4127b and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1988 Supp. 65-4127a is hereby amended to read as follows: 65-4127a. (a) Except as authorized by the uniform controlled substances act, it shall be unlawful for any person to manufacture, possess, have under such person's control, possess with intent to sell, offer for sale, sell, prescribe, administer, deliver, distribute, dispense or compound any opiates, opium or narcotic drugs. Any person who violates this section shall be guilty of a class C felony, except that, upon conviction for the second offense, such person shall be guilty of a class B felony, and upon conviction for a third or subsequent offense, such person shall be guilty of a class A felony, and the punishment shall be life imprisonment.

- (b) Upon conviction of any person pursuant to subsection (a) in which (1) the substances involved were equal to or greater than the amounts for such substances as specified in K.S.A. 1988 Supp. 65-4127e, or (2) the substances involved, regardless of amounts, were possessed with intent to sell, sold or offered for sale to a child under 18 years of age, there shall be at sentencing a presumption that the defendant be sentenced to imprisonment and not granted probation, assignment to a community correctional services program or suspension of sentence.
- (c) Notwithstanding any other provision of law, upon conviction of any person pursuant to subsection (a) in which the substances involved were possessed with intent to sell, sold or offered for sale in or on, or within 1,000 feet of any school

property upon which is located a building used by a unified school district for pupil attendance, such person shall be sentenced to not less than the minimum sentence of imprisonment authorized by law for such crime, and shall not be granted probation, assignment to a community correctional services program or suspension of sentence. When a court has sentenced a person, as provided in this subsection, the court shall state in the sentencing order of the judgment form or journal entry, whichever is delivered with the person to the correctional institution, that the person has been sentenced pursuant to this subsection (c) of K.S.A. 65-4127a and amendments thereto based on a finding by the court that the substances involved were possessed with intent to sell, sold or offered for sale as provided in this subsection.

- Sec. 2. K.S.A. 1988 Supp. 65-4127b is hereby amended to read as follows: 65-4127b. (a) Except as authorized by the uniform controlled substances act, it shall be unlawful for any person to possess or have under such person's control:
- (1) Any depressant designated in subsection (e) of K.S.A. 65-4105, subsection (e) of K.S.A. 65-4107, subsection (b) or (c) of K.S.A. 65-4109 or subsection (b) of K.S.A. 65-4111, and amendments thereto;
- (2) any stimulant designated in subsection (f) of K.S.A.65-4105, subsection (d) or (f) of K.S.A. 65-4107 or subsection(e) of K.S.A. 65-4109, and amendments thereto;
- (3) any hallucinogenic drug designated in subsection (d) of K.S.A. 65-4105 and amendments thereto or designated in subsection (g) of K.S.A. 65-4107 and amendments thereto; or
- (4) any substance designated in subsection (c), (d), (e),(f) or (g) of K.S.A. 65-4111 and amendments thereto.

Any person who violates this subsection shall be guilty of a class A misdemeanor, except that such person shall be guilty of a class D felony upon conviction for a second or subsequent offense.

(b) Except as authorized by the uniform controlled

substances act, it shall be unlawful for any person to sell, offer for sale or have in such person's possession with the intent to sell, manufacture, prescribe, administer, deliver, distribute, dispense or compound:

- (1) Any depressant designated in subsection (e) of K.S.A. 65-4105, subsection (e) of K.S.A. 65-4107, subsection (b) or (c) of K.S.A. 65-4109 or subsection (b) of K.S.A. 65-4111, and amendments thereto;
- (2) any stimulant designated in subsection (f) of K.S.A.65-4105, subsection (d) or (f) of K.S.A. 65-4107 or subsection(e) of K.S.A. 65-4109, and amendments thereto;
- (3) any hallucinogenic drug designated in subsection (d) of K.S.A. 65-4105, and amendments thereto or designated in subsection (g) of K.S.A. 65-4107 and amendments thereto; or
- (4) any substance designated in subsection (c), (d), (e), (f) or (g) of K.S.A. 65-4111, and amendments thereto.

Any person who violates this subsection shall be guilty of a class C felony.

- (c) Except as authorized by the uniform controlled substances act, it shall be unlawful for any person to manufacture, possess, have under such person's control, prescribe, administer, deliver, distribute, dispense, compound, sell, offer for sale or have in such person's possession with intent to sell any controlled substance designated in K.S.A. 65-4113 and amendments thereto. Any person who violates this subsection shall be guilty of a class A misdemeanor, except that such person shall be guilty of a class D felony if the substance was prescribed for or administered, delivered, distributed, dispensed, sold, offered for sale or possessed with intent to sell to a child under 18 years of age.
- (d) Upon conviction of any person pursuant to subsection (a), (b) or (c) in which (1) the substances involved were equal to or greater than the amounts for such substance as specified in K.S.A. 1988 Supp. 65-4127e, or (2) the substances involved, regardless of amounts, were possessed with intent to sell, sold

or offered for sale to a child under 18 years of age, there shall be at sentencing a presumption that the defendant be sentenced to imprisonment and not granted probation, assignment to a community correctional services program or suspension of sentence.

- (e) Notwithstanding any other provisions of law, upon conviction of any person pursuant to subsection (b) or (c) in which the substances involved were possessed with intent to sell, sold or offered for sale in or on, or within 1,000 feet of any school property upon which is located a building used by a unified school district for pupil attendance, such person shall be sentenced to not less than the minimum sentence of imprisonment authorized by law for such crime, and shall not be granted probation, assignment to a community correctional services program, or suspension of sentence. When a court has sentenced a person as provided in this subsection, the court shall state in the sentencing order of the judgment form or journal entry, whichever is delivered with the person to the correctional institution, that the person as been sentenced pursuant to this subsection (e) of K.S.A. 65-4127b and amendments thereto based on a finding by the court that the substances involved were possessed with intent to sell, sold or offered for sale as provided in this subsection.
- Sec. 3. K.S.A. 1988 Supp. 65-4127a and 65-4127b are hereby repealed.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

CAROL H. SADER
REPRESENTATIVE, TWENTY-SECOND DISTRICT
JOHNSON COUNTY
8612 LINDEN DR.
SHAWNEE MISSION, KANSAS 66207
(913) 341-9440



COMMITTEE ASSIGNMENTS

RANKING MINORITY MEMBER: PENSIONS, INVESTMENTS AND BENEFITS

MEMBER: ECONOMIC DEVELOPMENT
ELECTIONS
PUBLIC HEALTH AND WELFARE
JOINT COMMITTEE ON ECONOMIC
DEVELOPMENT

HOUSE OF REPRESENTATIVES

February 9, 1989
Testimony on HB 2172
Federal and State Affairs Committee

Madame Chairman and Members of the Committee:

My name is Carol Sader. I represent the 22nd Legislative District. I come before you today to testify as a proponent of HB2172.

I introduced this bill at the request of a constituent. It is intended to breathe life into our state's BINGO law, K.S.A. 79-4706, particularly in those areas where bordering states' competitive statutes have impaired the usefulness of our present law. This bill revives K.S.A. 79-4706 by:

- 1) increasing the maximum aggregate prize amount per day from \$1200 to \$3800;
- 2) increasing the maximum prize per game from \$50 to \$150 for a regular game and from \$500 to \$1500 for a jackpot or special game; and
- 3) increasing the number of games per day from 25 to 35, of which 15 instead of 5 may be jackpot or special games.

These statutory changes are intended to make our BINGO law competitive with the laws of neighboring states. The Missouri BINGO law, which was enacted after ours, has an aggregate prize per day maximum of \$3600. BINGO games in Kansas counties bordering Missouri and other more competitive states have experienced significant reductions in attendance and revenue as a result of the non-competitiveness of our present statute. Not only are the not-for-profit organizations that operate BINGO games losing an intended source of revenue, but the state and local taxing units are as well since a tax of $8\frac{1}{2}\%$ is charged on the price paid for each BINGO card sold.

I would like to call your attention to two things that this bill does <u>not</u> do: 1) It does <u>not</u> compel any increase in prizes or number of games per day over what we presently have - it merely raises the maximum amounts which may or may not be used at the option of any BINGO operator; and 2) it does <u>not</u> increase the number of days in any week that a premises may be used for the management, operation, or conduct of BINGO games. The removal of that restriction is definitely not intended in this bill but is the subject of SB69, which is not to be confused with HB2172.

In considering the merits of this bill, I respectfully request HOUSE FEDERAL & STATE AFFAIRS Attachment No. 2 February 9, 1989

that you ask yourselves why have a law on the books that fails to accomplish the purpose intended -especially when it can be amended to produce the originally desired results with a net gain to the state's treasury. The logical answer to this question is the reason why I introduced HB2172 and it is the reason why I recommend it for your positive consideration.

Thank you.

Reference: House Bill 2172

My name is Susan Wagle. My husband and I are ex-elementary school teachers. Approximately eight years ago, after investing in and rehabilitating residential property during our free time in the Summers, we were able to venture into the small business world. We now own both residential and commercial properties in Sedgwick County, the Maintenance Co., Custom Quik Signs, Variety Paper Co., and three bingo halls by the trade name of Bingo Casino.

We believe that if you have the right product for the right price, or if you offer a service that others find valuable you have a win/win situation. The public wins by the availability and usefulness of the product, and we win by making a profit (that is if we manage our resources properly). Our bingo halls are managed with this philosophy in mind, as are our other businesses. If we ever reach the point where we no longer provide a service to our non-profit organizations, or a product to our bingo patrons, then I'm sure we will go out of business.

We feel that our bingo halls are rapidly approaching a time where the product we offer is obsolete. If Kansas bingo laws are not updated quickly, we and the 18 non-profit organizations that operate bingo in our facilities fear going out of business. It has become nearly impossible to keep our Sedgwick county crowds patronizing our facilities when we can only offer \$1,200. in cash prizes during any one session. Our clientele are leaving Sedgwick county by the bus loads and traveling to the Oklahoma line (one hour away) where both the Oklahoma state bingo halls and the Oklahoma Indian reservations can operate with an unlimited payout in cash prizes.

I am well aware that Sedgwick county is not the only Kansas county that is suffering from out dated bingo laws that result in unfair competition from our neighboring states. In Colorado, the ceiling on cash prizes if \$1,500. per session, however there is no limit to the number of sessions that can be operated at any one facility during any one day. In Nebraska, the ceiling on cash prizes if \$4,000. In Missouri, the ceiling is \$3,600. and in Oklahoma, as I stated earlier, there is no limit.

House Bill 2172 will allow Kansas bingo halls to compete fairly for our patrons. It will keep the Kansas bingo players in Kansas. Ultimately, House Bill 2172 will keep Kansas non profit organizations well supplied with operating capital; it will keep entrepreneurs such as myself in business; and it will keep bingo tax revenue in our state.

We respectfully request that this committee favorably passes House Bill 2172. Also, since we understand that time is of the essence in our political process, we ask that this bill is passed quickly.

Thank you for your consideration.

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 3 February 9, 1989

^{**(}On the following page, is a list of the organizations I represent).

SPONSORING ORGANIZATIONS

Breakfast Optimists Kappa Alpha Psi Fraternity Blessed Sacrament Mens Club American Youth Soccer Organizations Northeast Optimists Omega Psi Phi Fraternity Southeast OPtimists Knights of Columbus #691 Evening Optimists Arthritis Water Exercise Club North Optimists of Wichita Derby Lions Club Saint Annes Parish Downtown Optimists of Wichita All Saints Parish We the People Inc. Wichita Swim Club Christ the King Parish

To: House Federal and State Affairs Committee

Re: HB 2172

I am grateful and would like to thank the committee for this opportunity to speak before you.

There are a few things that I would like to point out about bingo in this state.

The present limit of \$1200 payout for a single session of bingo is extremely low when compared to other states next to Kansas and especially when compared to the state lottery.

For example, in Missouri the limit is \$3600 and bingo is allowed to be played five days per week at a single location. Also, if you will look at the enclosed advertisement for an Indian game located just 20 minutes north of Topeka, you will appreciate the competition that these non-profit groups have to compete with.

At one time the limit in Kansas was \$1750 but was changed approximately 8 to 10 years ago back to \$1200. It has been frozen at that amount. Just taking into account the inflation factor of 4 per cent for 9 years, the limit should be at \$1700. I hope that you will keep this in mind when you decide on your vote.

Our premise is a leased premise that allows non-profit groups without the financial resources to afford a hall to raise money for their causes. We have many groups that have been on a waiting list for over 2 years. We believe that the present limit of \$1200 is uncompetitive and that this has not only hurt the bingo sponsors but also the state in the loss of tax revenues. Bingo is taxed at 8.25% in Shawnee County and at 9% in Johnson County.

I would appreciate that this committee take a hard look at the present limit of \$1200 and try to find someway to adjust it upward. The bill before this committee will equalize the competition with Missouri and will help greatly with the Indian reservation competition.

Your truly,

Thomas Frenn Southwest Bingo

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 4 February 9, 1989



SEPTEMBER SPECTACULAR

SATURDAY, SEPTEMBER 10, 1988

over \$40,000 possible! over \$23,000 guaranteed!

Packs only \$5000 Extra Packs \$2000

★Buy Your Tickets Now!★

Purchase tickets in advance and receive a FREE Round of Early Birds!

Call 913-486-3521

Doors open 4:30 — Mini Bingo 5:30 — Spectacular Begins 7:30

Play in Air Conditioned Comfort with seating for 600 not 1600!

Call this Coordinator in your area for a ride.



	•	Pay Out	Schedule
* Games included in pa	ckage	Fri	Sat / Sun
*2. BLOCK OF NINE — Continue on for *3. BLACKOUT *4. 4 CORNERS AND A REGULAR BINGO *5. HARDWAY BINGO — Any Direction *6. CHECK MARK — Must be as display *7. 2 STRAIGHT LINES — Free space O	ed on the Blue Sheet in your books —Continue on for D — (Orange) (Green) yed on board (Yellow) K (Pink) INTERMISSION	250 250 250 250 250 250	\$ 500 500 500 500 500 500 500 500
9 KICKAPOO SPECIAL — L	ARGE PICTURE FRAME with a Wild Number		
	Nights) or \$400 Cash — Floor clerks will come by to sell the	se cards — Strip (of 6 - \$5.00 each
	sheet in your books	7 pays \$ 250	
* 11. Door Prize Drawings -	_	,,.	
	= .		6.0.00
	Played on the Brown sheet in your books — Extras μ	Available, Strip o	f 6 - \$2.00 each
	/ \$2,500—50# / 51# /52# / \$1199 Consolation guaranteed	\$ 1000	\$ 1000
REGULAR CAMES +13 DOUBLE POSTAGE STAMP — One n	must be in the Corner (Red)	\$ 250	\$ 500
★ 14. LETTER X — (Purple)		250	500
* 15. DOUBLE HARDWAY BINGO — (Black	BREAK	250	500
16. CALLER'S CHOICE SPECI	AL — 50 / 50 Split with the House		
Floor clerks will come by to sell thes	se cards — Strip of 6 - \$5.00 each		
*18. SMALL DIAMOND — Continue on f *19. LARGE DIAMOND — Continue on f *20. BLACKOUT	Aqua sheet in your books — Continue on for	250 250 250	\$ 500 500 500 500
All odd numbers called prior to sta	art of the session on odd numbered dates. Fart of the session on even numbered dates.	.01 01.00	
BLACKOUT IN 48# / \$5000—49# / 53# or more	\$2500—50# / \$2000—51# / \$1000—52# / \$500 Consolation Guaranteed	\$ 300	\$ 500
* 23. PICK 8 PROGRESSIVE -	\$1000 Added per week — Extras Available, \$1.00 each		
Pick 8 in 20# or less wins	Progressive JackpotConsolation Guarantee	ed \$ 300	\$ 500
NITE OWL GAMES - Floor cleri	ks will come by to sell these cards — Strip of 5 - \$5.00 eac	ch	
24. Straight Bingo — 4 Corners of 25. Straight Bingo — 4 Corners of 26. Straight Bingo — 4 Corners of 27. Straight Bingo — 4 Corners of 27. Straight Bingo — 4 Corners of 27.	or Postage Stamp in the Corner		
Admission Packs	SINGL	E PACKAGES DO	OUBLE PACKAGES
Friday \$20, \checkmark	ve cannot paying your and a can your	5 Cards	12 Cards
Sat. & Sun. \$30		S Cards	12 Cards
Extra		S Cards	12 Cards
Packs		? Cards	4 Cards
\$10.00		? Cards	4 Cards
Management reserves the	e right to change or alter this program at its discretion w	nthout notice.	

February 7, 1989

Committee for Federal and State Affairs Kansas State House of Representatives Topeka, Kansas

Honorable Chairman and Distinguished Members of this Committee:

A new House Bill Number 2172 amending K.S.A. 79-4706 is presently being introduced by your committee, will enact new legislation regarding Bingo in our State.

By amending paragraphs (F), (G), and (H) without changing or eliminating paragraphs (Q) and (S) under this present amendment, would not only offer a meaningless change to our existing statute but would open the doors for futher arbitration in relation to its intentions and definition.

However, if the intent of this aforementioned amendment is for the specific reasons of increasing the total aggregate value from \$1,200 to \$3,800 per session, the total number of games from 25 to 35 with an increase from 5 to 15 of such games allowed to be special or jackpot games and in addition the maximum of \$50 to \$150 in any one regular game and from \$500 to \$1,500 or any one jackpot game. As well as increasing the total number of days from three calendar days in any one week with a forty-four hour restriction between sessions to a greater number of days, then whatever this committee would deem to be fair and reasonable would be supported to the utmost extent.

Since the initiation of legalized Bingo in 1974 Bingo had become one of the largest fund raising activities to the non-profit organization in the State of Kansas. Many non-profit groups utilized Bingo and depended upon its revenues almost completely, if not entirely for their community as well as their individual organizational funding. However on July first of 1985, all of this changed. For the first time since Bingo was legalized or after approximately eleven years of operation Bingo was restricted. Under the present K.S.A. 79-4706 to three days with a forty-four hour restriction between sessions at a licensed premises. At this point many of the non-profit groups across the State started to suffer. Their revenues were cut in half or less and in some cases completely out, due to the fact that the Licensed Premises they were registered at could no longer operate seven days a week. Therefore having to reduce the number of days from several times a week to several times a month, and in many instances completely drop some organizations all together.

In addition to the loss of revenues to the organizations as well as the attributed tax loss to the State and Local Governments caused by the amending of K.S.A. 79-4706 in 1985, other direct problems plagued legalized Bingo in the State of Kansas.

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 5 February 9, 1989 In our area and for numerous counties in Eastern Kansas, Missouri halls and organizations which had been operating in their state since 1981, when Missouri legalized Bingo grew to enormous numbers allowing a \$3,600 payout per session, a total number of 62 games per session with a limit of one \$500 jackpot but with a limit of up to \$500 on all their regular games played. Plus in addition to the higher payouts allowed pull-tabs were also legalized in Missouri to be used only at licensed Bingo games. Not only the State of Missouri became a threat to Kansas Bingo but so did the other three surrounding States that border our State lines affecting at least forty counties in our State where our non-profit organizations use Bingo as their means of fund raising.

And finally to add to the aforementioned problems, Kansas Bingo has to compete with the ever growing competition of Reservation Bingo which offers a limitless number of games and an uncontrolled pay out per session in this State as well as our surrounding States.

I don't believe the original intent behind the changes of 79-4706 was to restrict the non-profit organization from utilizing Bingo as its means for necessary fund raising in this State and local communities. But instead I do believe that the need for enforcement of this statute was long over due.

At the time the three day operation and forty-four hour restriction was instituted across the state there was also State Bingo Inspectors assigned for the direct purpose of auditing and regulating the Bingo games and Halls in relation to and conjunction with the newly established statutes.

However at this time I do believe it is once again time for a change, a change back to the original reason for legalization of Bingo in our State in 1974, for the betterment and fund raising potential Bingo possesses for the non-profit groups across our State. But in order to accomplish this, steps must be taken not to restrict or prevent the smaller non-profit organizations across the State that do not have a hall of their own to operate a Bingo game. Not to utilize the Registered Premises' as a means of providing welcome as well as necessary potential funding would be a waste of an existing resource. Unfortunately there is some opposition to this legislation that believe that because they are fortunate enough to have a facility of their own that is large enough for their non-profit organization to hold their own Bingo, that it would not be necessary for numerous non-profit groups across the State that are not as fortunate to expect or deserve the same right of the operation of their Bingo games at a registered and licensed premises. For example, as I understand it using estimates that was supplied to me from various agencies, we presently have at this time roughly six-hundred and fifty licensed Bingo organizations in our State, of these only about five-hundred of these are presently playing Bingo on any given regularly scheduled basis. Which could or would utilize Bingo for a fund raising activity if they had a place or a premises to play at.

However at this time from what I understand there are only approximately thirty halls or registered premises' across the state that are big enough to support more than one organization at a time. If these premises' were being utilized to their maximum potential in as much as the number of days allowed to operate, there would be room for approximately four more organizations per hall if allowed to operate seven calendar days each week. Also from what I understand there are approximately as of April, 1988, eleven thousand, fifty-six non-profit groups and organizations across our state so the potential need for the registered Bingo premises' in our state has only just begun. In addition, the approximate gross revenues across our state in relation to Bingo is about twenty-five million dollars a year with approximately seventy-five thousand a year not counting sales tax that is returned to State and Local general funds and enforcement division. Imagine, what would the revenue potential be to the State and local governments not to mention the fund raising potential it could have if only a reasonable percentage of the eleven-thousand non-profit groups could utilize Bingo as a fund raising activity. Please note one small example that I have attached from one of the Bingo statutes now prevailing in our State.

As a tax payer in this State as well as a member of a number of non-profit groups in this State we personally appeal to each and every member of this Distinguished Committee to undo the present lack of uniformity that our present statute regarding Bingo in our State now dictates.

I also realize that Bingo is not a privilege but a legislative act and without your support this Bill, along with other efforts to improve Bingo in our State will fail.

Thank you for your time and your consideration.

Roger C. Hart

Johnson County, Kansas

FROM: VETERANS OF FOREIGN WARS AUXILIARY-POST # 2993-OLATHE, KANSAS

BINGO HAS BEEN AND STILL REMAINS TO DATE, THE SOURCE OF FUNDS FOR THE V.F.W. AUXILIARY TO PERFORM THE MANY DIFFERENT COMMUNITY SERVICE PROJECTS WE DO THROUGHOUT THE YEAR.

i.e. MONTHLY VISITS TO THE V.A. HOSPITAL IN LEAVENWORTH, SERVING REFRESHMENTS AND PLAYING BINGO FOR CASH PRIZES WITH THE RESIDENTS OF A DOMICILIARY IN ADDITION TO PICNICS, COOKOUTS, WATERMELON FEEDS AND CARNIVALS DURING SUMMER MONTHS.

EACH YEAR ON PALM SUNDAY WE HAVE A CHILDRENS EASTER EGG HUNT CO-SPONSORED WITH MAHAFFIE FARMSTEAD. ON MARCH 19,1989, THE V.F.W. IS PLANNING TO PURCHASE FOUR HUNDRED DOZEN EGGS, COLOR THEM, HIDE THEM AT THE MAHAFFIE FARMSTEAD AND HELP APPROXIMATELY ONE THOUSAND CHILDPEN FIND THE EGGS. AS IN EACH YEAR PREVIOUSLY, WE RENT AN EASTER BUNNY COSTUME AND AN AUXILIARY MEMBER DAWNS THE COSTUME AND HANDS OUT CANDY EGGS, ALSO PURCHASED BY THE V.F.W. AUXILIARY, PLUS PARENTS TAKE PICTURES OF THEIR CHILDREN WITH THE EASTER BUNNY.

WE SPONSOR A HALLOWEEN PARTY FOR THE CHILDREN EACH YEAR GIVING PRIZES FOR THE BEST COSTUME AND HANDING OUT BAGS OF CANDY AND FRUIT TO EACH CHILD, PLUS SERVING CUP CAKES AND PUNCH.

AT CHRISTMAS TIME, WE RENT A SANTA CLAUS COSTUME WHICH ONE OF OUR POST MEMBERS WEARS AND HANDS OUT BAGS OF FRUIT AND CANDY PLUS A TOY TO EACH CHILD, AND THE AUXILIARY SERVES COOKIES AND PUNCH TO THE CHILDREN AND THEIR PARENTS.

A DINNER IS DONATED, PREPARED AND SERVED BY THE AUVILIARY AT THE POST HOME FOR THANKST GIVING AND CHRISTMAS.

POOD, CLOTHING AND TOYS ARE BOUGHT AND DISTRIBUTED TO NEEDY FAMILIES AT CHRISTMAS.

BURN OUT VICTIMS ARE GIVEN HELP WITH CASH, FURNITURE AND CLOTHING.

INDIGENT AND ELDERLY ARE HELPED WITH FOOD, UTILITIES, CLOTHING AND VARIOUS NEEDS THROUGHOUT THE YEAR AS THE NEED ARISES.

NEEDLESS TO SAY, THIS AND MUCH MORE, ALL TAKES MONEY!!!!!! THE MORE NIGHTS WE CAN SPONSOR BINGO AT BINGO PALACE, THE MORE MONEY WE CAN MAKE. THUS, THE MORE COMMUNITY SERVICE PROJECTS WE CAN PERFORM.

NATURALLY, THESE PROJECTS WERE REDUCED IN NUMBER AT THE REDUCTION OF THE NUMBER OF BINGO NIGHTS TO THREE ON JULY 1,1985.

ALSO, WE LOSE A LOT OF BINGO PLAYERS TO MISSOURI WITH SUCH A LOW PAY OUT IN KANSAS (\$1,200.00 COMPARED TO \$3,600.00 IN MISSOURI). IF WE COULD GET OUR PAY OUT RAISED COMPARABLE WITH MISSOURI, NOT ONLY WOULD THE NON-PROFIT ORGANIZATIONS BENEFIT, BUT KANSAS WOULD GET MORE REVENUE FROM EACH ORGANIZATION BY KEEPING OUR PLAYERS IN KANSAS. I HAVE ASK PEOPLE NUMEROUS TIMES, "WHERE WERE YOU SUCH & SUCH A NIGHT?" THEIR RESPONSE, "WE WERE IN MISSOURI WHERE WE CAN GET LARGER POTS".

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 6 February 9, 1989 Hanlay 11-11. D. VistARV THANK YOU MS. CHAIRMAN AND COMMITTEE MEMBERS.

MY NAME IS MARVIN WINGERT AND I AM HERE TODAY TO SPEAK ON BEHALF OF PARENTS WITHOUT PARTNERS - A NON-PROFIT ORGANIZATION. BINGO PROVIDES APPROXIMATELY 95% OF OUR INCOME - WHICH IS USED TO PROVIDE EDUCATIONAL SERVICES TO ASSIST THE SINGLE PARENT COPE WITH RAISING A FAMILY ALONE.

WE HAVE DISCUSSION GROUPS, AS WELL AS PROFESSIONALLY LED WORKSHOPS DEALING WITH SINGLE PARENTING. WE ALSO PROVIDE FINANCIAL AID SCHOLARSHIPS TO CHILDREN OF OUR MEMBERS.

WE AGREE WITH THE PROPOSED CHANGES IN RAISING THE DOLLAR LIMITS OF PRIZES AND THE NUMBER OF GAMES TO BE CONDUCTED.

WE WOULD ALSO LIKE TO ASK YOU TO CONSIDER CHANGING PROVISIONS UNDER SECTION 1, PARAGRAPH S, SINCE AS THEY ARE NOW WRITTEN, A FRATERNAL ORGANIZATION RECENTLY PURCHASING A BUILDING WITHIN THE 1000 FEET LIMIT, WOULD LIMIT OUR OPERATION WITH THAT AND THE 44 HOUR LIMITATION.

THANK YOU FOR ALLOWING ME THE OPPORTUNITY TO ADDRESS THE COMMITTEE.



A Leadership Training Organization

P.O. Box 1933 • Topeka, Kansas 66601

The Topeka Jaycees were formed in 1933. We were the 143rd chapter in the nation. The Jaycee Organization emphasizes Leadership Training through Community Involvement. The Topeka Jaycees accomplish this training by working with local charities, local government bodies, and various state and national charities. We have donated money to the Capper Foundation, Kansas Neurological Institute, Topeka Family Shelter, Topeka Youth Project, Topeka Big Brothers/Big Sisters, Ronald McDonald House, Ray Ramirez Foundation, Topeka's Christmas Adopt-A-Family, and many others.

The Kansas Jaycees own and operate a camp in El Dorado for handicapped children. The Topeka Jaycees donate 20% of the total dollars given by Jaycee Chapters, which amounts to 10% of the Camp operating budget. Nationwide, the Topeka Jaycees donate money to Muscular Dystrophy, St. Jude Children's Research Hospital, March of Dimes, and American Diabetes Association. Seventy-five percent of our income is provided by running Bingo at Capitol Bingo. The Topeka Jaycees are therefore able to make these cash donations, in addition to providing manpower for those charities.

With your help, the Topeka Jaycees will continue supporting charities, and working to make **Topeka** and **Kansas** a better place to live.

70peka Jaycees

he objective of the Topeka Jaycees is to enhance leadership skills of each member and membership development projects. Jaycee programs and projects are designed to serve the individual and community. Both prosper because Jaycee activities bring about a better way of life.

The Topeka chapter offers the total Jaycee concept. It is a process by which the whole chapter challenges its members with a "total experience" – personal growth, development of their managerial skills and effective service to the community.



The sides of the Jaycee Triangle overlap to illustrate a balanced emphasis on the areas of Community Development, Individual relopment and Management Development. circle at the center represents *you* and the large development as you expand your personal horizons.

- Community Development -

ommunity Development ideas are seen as the cornerstone of the Jaycee movement. When members learn of a need in the community, they are able to pool their resources to fill those needs.

This is perhaps the area the Topeka Jaycees are most visible. Together, members have recognized a need to support several organizations and people in the Topeka area including:

- Capper Foundation
- Kansas Neurological Institute
- Ray Rameriz Foundation
- Kansas Jaycees Cerebral Palsy Ranch
- Topeka Family Shelter
- Muscular Dystrophy Association
- St. Judes Children's Research Hospital
- American Diabetes Association

These organizations and others have benefited because of Jaycee activities including the Haunted House, Hot Tub Marathon, Topeka Air Show, Radiothon, Battle of the Bands, Need a Little Christmas, car washes, casino nights, family entertainment evenings, governmental affairs programs and many more activities.

- Individual Development -

I ndividual Development programs provide Jaycees with knowledge and experience to help them become leaders in their community.

Jaycee members find personal growth in programs such as stress management, self defense, family picnics, sign language classes, job search aids, public speaking, writing skills and more.



– Management Development -

anagement Development can lead individuals to discover the importance and professional skills in their everyday lives. You can find opportunities for leadership training at all levels of Jaycees. In this area, you'll learn techniques in planning, training, communicating, motivating, budgeting, and dealing with people.

Membership nights, planning guides, orientation, local, state and national training schools, in addition to communications, public relations and social activities, aid in the success of all projects.

The Topeka Jaycees are building a bright future on a rich heritage and its history isn't yet complete. Changes in the Jaycees will continue. Through these changes the organization has grown to the strength of what is it today!

The JAYCEE Creed®

We believe:

That faith in God gives meaning and purpose to human life;

That the brotherhood of man transcends the sovereignty of nations;

That economic justice can best be won by free men through free enterprise;

That government should be of laws rather than of men;

That earth's great treasure lies in human personality;

And that service to humanity is the best work of life!

Chapter Meetings:

2nd & 4th Wednesday of Each Month 7:00 p.m. Call for Location

Mailing Address:
P.O. Box 1933 • Topeka, KS 66601
(913) 232-7798

Membership Requirements:

Any male or female between the ages of 21 and 39.

For more information, call: _____





Accept the challenge!
Join us!

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 8A February 9, 1989



4125 SW Gage Center Drive P. O. Box 86153 Topeka, KS 66686 (913) 273-6343 or toll-free in Kansas 1-800-332-6262

TESTIMONY FOR HOUSE BILL 2172

Subsection (s) Lines 110-114 Page 3

Families Together, Inc. is a program developed to meet the needs of families with a child with a disability. The family is served in three different ways.

- 1) The family is served as a unit through family education and recreation at the Family Enrichment Weekends. Yearly, the Families Together staff will plan and conduct 8 weekends with 30 families at each event.
- 2) Families Together provides a parent training and resource center in Topeka.
- 3) Workshops are provided to parents on a variety of topics of interest and assistance to them.

The money raised through bingo in Topeka provides approximately 50% of the necessary money to cover the expenses of Topeka families to participate in these services. Administrative expenses for Families Together are provided by state and federal grants. Therefore, the money raised through bingo is used for direct service to families.

It has come to the attention of our organization that there is a chance that we will have to discontinue our bingo fund-raising efforts because of the statement in the Bingo Tax Laws for Kansas. This is the statement referring to the fact that non-profit or fraternal organizations that own their bingo premises will have the right to basically "put non-profit organizations that lease their bingo premises out of business". This seems to be a case of discrimination against the non-profit organizations that are unable to purchase a building.

It doesn't seem fair that we should give up one of our main sources of livelihood just because the laws do not protect us and our rights. It seems that it would be more fair if the laws could be changed to give us the same protection that is given to non-profit organizations that own their premises.

Due to the extensive services that Families Together offers to families, we have a sizable budget. As I stated before, some of our money is public grant money. However, the strength of our organization has been that we are able to solicit volunteers to help with fund-raising so that we don't have to rely solely on public programs. In addition, we keep hearing that now is the time when communities are working together to provide services to those in need. With this in mind, how can we justify putting the income of Families Together and 4 other organizations in jeopardy.

I request that you consider changing the Bingo Law in Kansas to offer some protection to organizations such as ours.

Thank you.

Patty Gerdel, Executive Director Families Together, Inc.

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 9 February 9, 1989

TESTIMONY FOR HOUSE BILL 2172

Subsection (s) Lines 110-114 Page 3

This section currently reads:

No game of bingo shall be managed, operated or conducted on leased premises if at any time during the immediately preceding 44 hours the premises, or any premises within 1,000 feet of them, have been used for the management, operation or conduct of a game of bingo.

It is recommended that this section be amended to read:

No game of bingo shall be managed, operated or conducted on leased premises if at any time during the immediately preceding 8 hours the premises, or any premises within 250 feet of them, have been used for the management, operation or conduct of a game of bingo.

Presented by Patty Gerdel
Families Together, Inc.
Licensed to conduct Bingo in Kansas

CARPET CENTERS

1900 East Pawnee / Wichita, Kansas 67211 / (316) 262-3491 604 N. Tyler Road / Wichita, Kansas 67212 / (316) 722-6391 5131 W. 29th Street / Topeka, Kansas 66614 / (913) 273-1402

My name is Lee Schwartz. I'm from Topeka and have a business—
The Carpet Centers here. I have a 21 yr. old daughter at
KU and a son 20 at Northwestern in Evanston, Ill. Both are
normal healthy kids. (As normal and healthy as college
kids can be.) I have no direct connection with Families
Together but my wife and I vollunteer our time to work
bingo to raise funds for the Families Together group.
I find it disturbing that because of an innocent quirk
in the law, which probably is there to protect groups
that are non-profit, may prohibit several non-profit
groups from their fund raising. If there is anything we
could do to rectify this injustise I think it would be
appreciated. Thank you for hearing me.



HOUSE FEDERAL & STATE AFFAIRS Attachment No. 10 February 9, 1989



KANSAS DEPARTMENT OF REVENUE

Division of Taxation
Robert B. Docking State Office Building
Topeka, Kansas 66625-0001

JOHN R. LUTTJOHANN
Director of Taxation

MEMORANDUM

TO:

THE HONORABLE GINGER BARR, CHAIRPERSON

HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

FROM:

JOHN R. LUTTJOHANN

DIRECTOR OF TAXATION

RE:

HOUSE BILL 2172

DATE:

FEBRUARY 9, 1989

Thank you for the opportunity to appear today on House Bill 2172, concerning state regulation and taxation of bingo. We appear as neither a proponent or opponent, but merely to offer whatever information we have which the committee may find helpful.

This bill proposes to amend K.S.A. 79-4706 as follows:

- (1) Increase the total number of bingo games which may be conducted by a licensed organization in any one day from 5 to 15 for special games and from 25 to 35 for all games.
- (2) Increase the limit on the value of prizes which may be paid for each regular game from \$50 to \$150 and for each special game from \$500 to \$1,500.
- (3) Increase the total value of all bingo prizes which may be awarded by a licensed organization in any one day from \$1,200 to \$3,900.

The bill does not change the bingo tax rate. We do not anticipate that revenues received from the bingo enforcement tax or the sales tax on bingo will be significantly affected by the proposed changes.

It is our estimation that due to limited seating capacities and crowds that less than 20% of the bingo games now being conducted offer the current maximum prize limits. Our experience suggests that there is a relatively fixed number of bingo players with a fairly fixed amount of money to spend on bingo within the state. While the proposed higher prize limits may result in attracting a few additional players, we believe that the major impact of the proposed changes would be to decrease the number of bingo players at the smaller games and increase the players at the games conducted at large facilities.

I would be happy to respond to any questions that you may have.

ANSANS FOR L-FE AT ITS BEST!

_v. Richard Taylor, Box 888, Topeka, Kansas 66601

Phone (913) 235-1866 Office 1273 Harrison (3 Blocks South of Statehouse)



A Proud Land

February 9, 1989

Testimony before the House Federal and State Affairs Committee on HB 2172 Jon Brax, Kansans for Life at its Best!

If any of you have had the opportunity to view the motion picture or the stage production of the comedy, <u>Little Shop of Horrors</u>, you'll recognize the story as a fable. For those of you who haven't seen it, allow me to describe the storyline.

The hero, Seymour, enjoys his hobby of collecting and tending plants. He finds his hobby relaxing, enjoyable, and fun. However, Seymour discovers that his newest vegetable has a morbid characteristic - the plant needs blood to grow. This trait may sound particularly horrendous, but Seymour decided to feed the plant with his own blood. After all, it was his choice and his blood. As the plant grew, its appetite also grew and our hero continued to pour more and more blood into the plant.

In the end, an anemic Seymour could no longer satisfy the plant by himself. Consequently the plant consumes Seymour, his girlfriend, and entire populations of cities.

The musical finale of the show is warningly entitled, "Don't Feed the Plants." If HB 2172 is passed, are Kansans feeding the plant of gambling a bit more? Legal gambling saps the life blood of a society. Kansans For Life At Its Best! ask you to vote no on HB 2172.

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 12 February 9, 1989

"Of our political revolution of 1776 we are all justly proud," said Abraham Lincoln on Washington's birthday in 1842. He went on to say "how proud the title of that land" where persons declare their freedom from alcoholic beverages because they "shall find a stronger bondage broken, a viler slavery manumitted, a greater tyrant deposed. . .perfect liberty!" With per-person consumption at nearly half the national average, thousands of Kansans enjoy that perfect liberty. Concerned users and non-users are united in this R-E-A-L effort to prevent alcoholism, highway tragedy, and other suffering caused by our most abused recreational drug.

STATEMENT BY AMERICAN LEGION STATE ADJUTANT CHUCK YUNKER ON HB 2172

THANK YOU FOR ALLOWING ME THE OPPORTUNITY TO ADDRESS YOUR COMMITTEE TODAY IN OPPOSITION TO HOUSE BILL 2172. I AM CHUCK YUNKER, STATE ADJUTANT FOR THE AMERICAN LEGION. HC 2172 WHILE FILLED WITH GOOD INTENTIONS, WOULD SERVE TO BENEFIT ONLY A FEW OF THOSE WHO HOLD BINGO LICENSES IN KANSAS. I WOULD ASK THIS COMMITTEE TO CONCERN ITSELF WITH THE BEST INTERESTS OF THE STATE AS A WHOLE, AND NOT JUST OUR BORDER AREAS.

AS RECENT AS LAST WEEK A REPRESENTATIVE OF THE DEPARTMENT OF REVENUE STATED IN TESTIMONY BEFORE A SENATE COMMITTEE THAT THERE ARE ONLY SO MANY BINGO PLAYERS IN KANAS AND A RELATIVELY CONSTANT AMOUNT OF MONEY IS BEING SPENT ON BINGO EACH YEAR. I MIGHT ADD THAT THE VAST MAJORITY OF THOSE PLAYING BINGO ARE ON FIXED INCOMES. THEREFORE INCREASING THE NUBMER OF SPECIAL GAMES FROM 5 TO 15 AS SPECIFIED IN LINES 54 AND 55 OF HB 2172 WILL NOT INCREASE TAX REVENUES FOR THE STATE. BUT MIGHT ENCOURAGE THOSE ON FIXED INCOMES TO SPEND MORE MONEY THAN THEY CAN AFFORD.

HB 2172 DOES NOT INCLUDE A PROVISION TO INCREASE THE AMOUNT OF MONEY BINGO LICENSEES ARE PERMITTED TO CHARGE FOR REGULAR GAMES OR "ANY SPECIAL JACKPOT OR SPECIAL GAME." YET PARAGRAPH (H) OF HB 2172 ALLOW FOR TRIPLING THE CURRENT ALLOWABLE PRIZE MONEY AWARDED TO

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 13 February 9, 1989 BINGO PLAYERS. BY AND LARGE, BINGO PLAYERS CAN NOT AFFORD INCREASES IN THE COST OF PLAYING BINGO AND THE MAJORITY OF LICENSE HOLDERS CAN NOT AFFORD TO PAY LARGER PRIZES WITHOUT ADVERSLY EFFECTING THE CHARITABLE PROGRAMS THEY SPONSOR.

ONLY BINGO PARLORS, ALL OF WHOM HAVE MUCH GREATER SEATING CAPACITY THAN THOSE WHO CONDUCT BINGO IN THEIR OWN BUILDINGS, CAN POSSIBLY BENEFIT FROM SUCH INCREASES IN ALLOWABLE PRIZES. THE LATEST DEPARTMENT OF REVENUE STATISTICS SHOW A TOTAL OF 576 BINGO LICENSES IN KANSAS. OF THAT NUMBER 499 CONDUCT BINGO IN THEIR OWN BUILDINGS.

ON AVERAGE THOSE 499 HAVE A SEATING CAPACITY OF 150 ALTHOUGH SOME CAN SEAT AS MANY AS 250. TWELVE LICENSEES HOLD BINGO IN COMMUNITY AND CIVIC AUDITORIUMS, ARMORYS, ETC., AND NATURALLY THOSE 12 ENJOY AMPLE SEATING FOR THE MOST PART. THE REMAINING 65 LICENSE HOLDERS IN KANSAS SPONSOR THEIR BINGO GAMES IN ONE OF THE 30 BINGO PARLORS IN THE STATE; EACH WITH A SEATING CAPACITY OF 400 TO 600. CLEARLY ONLY 65 OF THE 576 BINGO LICENSEES STAND TO GAIN FROM HB 2172.

I MIGHT MENTION HERE THAT LAST WEEK BINGO PARLOR REPRESENTATIVES
TESTIFIED BEFORE THE SENATE COMMITTEE REFERRED TO EARLIER IN MY
STATEMENT TODAY, THAT THEY (THE PARLORS) HAD WAITING LISTS OF
ORGANIZATIONS WISHING TO SPONSOR BINGO ON THEIR PREMISES. CURRENTLY
THERE ARE 30 PARLORS IN KANSAS AND EACH IS ALLOWED, UNDER CURRENT
LAW, TO HAVE 3 GAMES PER WEEK IN THEIR BUILDING FOR A TOTAL OF 90
GAMES STATEWIDE EACH WEEK. YET ONLY 65 LICENSEES CONDUCT THEIR GAMES
IN PARLORS. WHILE I'M SURE SOME PARLORS MAY HAVE WAITING LISTS,
IT IS OBVIOUS THERE ARE 25 OPENINGS IN PARLORS STATEWIDE.

IN 1974 BINGO WAS ENACTED INTO LAW TO PROVIDE A SOURCE OF REVENUE IN THE FORM OF TAXES FOR THE STATE, A MEANS BY WHICH NON-PROFIT ORGANIZATIONS COULD RAISE MONEY FOR THEIR PROGRAMS, AND A FORM OF ENTERTAINMENT FOR KANSAS CITIZENS. BUT BECAUSE THOSE WHO PROMOTE BINGO PARLORS WERE FLAUNTING THE INTENT OF THE LAW, THE LEGISLATURE WISELY PLACED MORE STRINGENT RESTRICTIONS ON BINGO IN 1985. APPARENTLY THOSE DRIVEN BY GREED AND A THIRST FOR PERSONAL GAIN--PERSONAL GAIN AS OPPOSED TO NON-PROFIT CHARITABLE GAIN FOR WHICH BINGO WAS INTENDED--DID NOT GET THE MESSAGE SENT BY THE LEGISLATURE IN 1985.

A REPRESENTATIVE OF THE DEPARTMENT OF REVENUE STATED LAST WEEK "THERE ARE NO BINGO PROBLEMS, NO COMPLAINTS FROM BINGO PLAYERS AND THE NUMBER OF PEOPLE PLAYING BINGO REMAINS ABOUT THE SAME." SO WHY CHANGE THE LAW? THEREFORE I ASK YOU TO OPPOSE HC 2172.

THANK YOU FOR ALLOWING ME TO ADDRESS YOU TODAY.

Chuck Yunker, ADJUTANT

THE AMERICAN LEGION, DEPARTMENT OF KANSAS

IN 1987 THE AMERICAN LEGION INVESTED 94,779 HOURS AND MORE THAN \$540,000 IN OVER 125,000 YOUR KANSANS. THIS COULD NOT HAVE BEEN ACCOMPLISHED WITHOUT BINGO.

SOME OF THE AMERICAN LEGION YOUTH PROGRAMS INCLUDE:

LEGION BASEBALL
SOFTBALL
SPECIAL OLYMPICS
LITTLE LEAGUE SPORTS
SCOUTING
BASKETBALL
TENNIS
FOOD
CLOTHING
SHELTER
DIRECT FINANCIAL AID

BOYS' AND GIRLS' STATE
COUNTY GOVERNMENT DAY
SCHOLARSHIPS
SCHOOL AWARDS
NURSES TRAINING
ORATORICAL CONTEST
SCHOOL PATROL
"NEED A LIFT?" COUNSELING
BOOK
MOVIES

NATIONAL EDUCATION WEEK
ASSIST MENTALLY RETARDED

CADET LAW ENFORCEMENT ACADEMY

HUNTER SAFETY PROGRAM

BICYCLE SAFETY

YOUTH PARTIES

ALCOHOL & DRUG ABUSE EDUCATION

FLAG ETIQUETTE

HALLOWEEN SAFETY

CHRISTMAS BASKETS

TOYS

Madame Chairman and Members of the Federal and State Affairs Committee

I am Joe Berger, President of the Kansas Sunflower Club Association. Our Association members include non profit fraternal and veterans organizations (Moose, Eagles, and Elks Lodges; Knights of Columbus; V.F.W. and American Legion Posts; Shrine and some Country and City Clubs.) We are opposed to House Bill 2172.

Our fraternal and veterans organizations provide a tremendous amount of community service. If they lose Bingo revenue these services will have to be cut. The American Legion has 350 Posts in Kansas, the V.F.W. has 203 Posts, Knights of Columbus has 150 Units, The Eagles have 60 Lodges, the Elks have 43 Lodges and the Moose have 18 Lodges. This is a total of 824 Units with a membership of approximately 250,000 Kansas families not counting the Shrine Temples, churches and the city and country clubs who play Bingo. The members of these organizations in 1973 and 1974 did considerable and effective work on behalf of the Bingo proposition and in getting people of Kansas to vote for the Bingo Constitutional Amendment, which as you know was approved by a two to one majority. At that time no one ever dreamed we would someday have big commercialized Bingo Parlors in Kansas. About half of our 824 Units play Bingo. Many do not play because their buildings are not large enough to conduct Bingo games, a few of our organizations with smaller buildings are playing in the Bingo Parlors.

We have checked with the Revenue Department and there are now 576 organizations with Bingo licenses. Of the 576 organizations, 499 are playing the their own buildings, 12 are playing in community centers and <u>65</u> are playing in Bingo Parlors. (30 Bingo Parlors playing 3 days a week could accommodate 90 organizations).

The seating capacity of our organizations vary from 125 to 175 people. A few of our larger facilities can accomodate 175 to 250 people, while the Bingo

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 14 February 9, 1989 Parlors all have seating capacity of 300 to 600 people. There is no way our organizations can compete against the Bingo Parlors if House Bill 2172 raises the prize money to a total of \$3,800. —How are are organizations going to get \$3,800 to pay out for prizes? The cost of the bingo cards cannot exceed \$1.00. Even if the cost of cards is increased there is still no way our organizations can compete against the big Bingo Parlors. —At the present time we are giving away \$1200 in prize money. We have to take in at least \$1296 to break even. —\$96.00 is for the taxes on \$1200.00. After we have collected \$1296.00 every thing we take in above that is profit except for the 8% tax that is paid to the State (in Topeka 5% Sales Tax and 3% Bingo Enforcement Tax). Our organizations take in from \$1500.00 to 1900.00 on bingo, after paying out the \$1200.00 prize money and the 8% tax it leaves them with a gross profit of \$180.00 to \$548.00. These figures are for 125 to 175 people playing Bingo.

You can imagine the kind of profit that's made when you have 400 or 500 Bingo players. \$3,800 is more than triple the prize money we pay out now which means we have to triple our players and our income to make what we are making now. There are only so many Bingo players, and they are all playing Bingo somewhere. There is no shortage of places to play in Kansas. Most of the Bingo players are elderly people on a fixed income with a fixed amount of money set aside each week for Bingo. The Bingo Parlors are complaining about competition from the other States, if House Bill 2172 passes it will bring the unfair competition right into our cities. Kansas City for example will have the Bingo Parlors giving away \$3,800.00 and our organizations with smaller seating capacity will still be paying out only \$1200. Who benefits? Bingo Parlor operators.

We don't think it's fair to let 30 Bingo Parlors put 499 organizations that play Bingo in their own buildings out of business. The same thing will happen to our organizations that happened to the Mom and Pop grocery stores

when the Supermarkets moved in. One of the reasons Bingo Parlors were cut back to 3 days in 1985 was that some of the Kansas City, Missouri mob moved into Kansas City, Kansas area and operated a big Bingo Hall and in 1 year they took back to Missouri \$300,000. I read this in the Topeka newspaper. I'm sure the FBI has a record of it.

The Revenue Department reports that Bingo in Kansas is now running smooth, there are no complaints from Bingo players. We like the Bingo law we now have, please don't change it. Vote NO on H. Bill 2172.

I want to thank you for allowing me to express our thoughts on Bingo.

Sincerely,

JOE BERGER, President

Sunflower Club Association

STATE OF KANSAS ● HOUSE OF REPRESENTATIVES

ARTHUR W. DOUVILLE

Representative, Twentieth District 9600 Woodson, Overland Park 66207

memorandum

2-09-89

Arthur,

Bob Stephan return your call. RE: HB2172
He is opposed to the amendment in
Section 1, subsection g, which has the
efffect of enlarging bingo parlors.
He says that is just what people were
worried about with respect to organized
crime.

He can't speak for the rest of the bill.

He said he thought you would want this

message now.

Hay

February 8, 1989

Committee for Federal & State Affairs Kansas State House of Representatives Topeka, KS

Honorable Chairman:

The Olathe Girls Softball Association wishes to express its wholehearted support for House Bill 2172, which would raise the maximum pay-out for bingo games in the State of Kansas to \$3,800.00.

OGSA was formed in the late 1970's to teach softball, sportsmanship, and just for plain fun for girls interested in softball.

Over the years, our organization grew to its current membership of over 500 girls from 8 to 19 years of age. We found our teams constantly shuffled from field to field around the city, with families traveling in circles to keep up with their children's games. Clearly, we needed our own complex.

In 1982, OGSA began sponsoring bingo in Olathe. Based on the money it was generating, we contracted to purchase land and began to design our complex. Only a few years later, after bingo in Missouri began to attract many of our players with much larger pay-outs, our profits plummeted. They have continued downward since then, and we were forced to compromise and sell our complex to the City of Olathe.

This downturn in our revenue was, of course, reflected in a similar reduction in taxes paid to the State of Kansas, from \$16,464.13 in 1983 to \$9.767.33 in 1987. We have no accurate way to gauge the amount of revenue lost to Missouri, but our information tells us it is substantial. Clearly, we need to be able to compete with Missouri bingo on at least an equal basis.

HELP! Pass House Bill 2172 and allow us to pay our Kansas players a competitive amount, and keep their revenues in Kansas!

Sincerely,

James H. Blaylock

Mathe Girls Softball Association

Bingo Chairman

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 16 February 9, 1989



STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612-1597

ROBERT T. STEPHAN ATTORNEY GENERAL

February 9, 1989

MAIN PHONE: (913) 296-2215 CONSUMER PROTECTION: 296-3751 TELECOPIER: 296-6296

TO: The House Federal and State Affairs Committee

FROM: Attorney General Bob Stephan

RE: Request for Bill Introduction

I would like to request that the House Federal and State Affairs Committee introduce a bill for a Day Care Center for children of state employees.

The 1989 Kansas Legislature shall authorize the Department of Administration to implement a pilot project to provide quality child-care services for state employees at or near their worksite. The employees of the Office of Attorney General would be part of the pilot.

Operation of the center would be awarded to a private organization through a competitive bid process. Operating costs would be met primarily by monthly parent fees. Fees would be on a sliding scale based on the ability of employee to pay.

Purposes of the Pilot Project

- 1. To provide quality child-care services to state employees at or near their worksite.
- 2. To serve as a model for the state to encourage initiatives from other Kansas employers, especially those in the private sector.
- 3. To study the effects of work-site child care on state employee work behavior/attitudes.

Cost of the Pilot Project

The 1989 Legislature shall appropriate \$200,000 from the general revenue funds for the purpose of assisting in the start-up and operation of child-care services. The 1989 appropriation would be

used for building renovation and operational start-up of a "model" center.

Evaluation of the Pilot Project

Various strategies and methods would be used to gather information to evaluate the success of this pilot project, based on the three purposes of the project. Quantitative measures, such as absenteeism and turnover rates of state-employee participants, will be supplemented with qualititative indicators such as parent satisfaction, comparisons of timeframes for full enrollment and financial self-sufficiency, perceptions of state employees and their supervisors regarding the effect of the pilot project on state worker behaviors/attitudes, the length of the waiting list, and the amount of interest shown by private and other public sector employers.

Provisions to be Included in the Law

- Establish a center to serve infant and preschool aged children.
- Provide a sliding scale fee schedule based on employee's ability to pay. (Similar to school lunch program with the State absorbing the additional cost.)
- Locate a center within one-mile of the State Capitol.
- Selection of site by the Department of Administration.
- Selection of operator of the center by competitive bid.
- Operator must comply with all local standards for licensure, maintain adequate liability insurance coverage and assume financial and legal responsibility for the operation of the center.
- After start-up, the center would be primarily self-sufficient with operating costs offset by parent fees.
- Appropriate \$200,000 to establish a State Employee Child Care Revolving Trust Fund to assist in the operation of day care centers.



STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612-1597

ROBERT T. STEPHAN ATTORNEY GENERAL

February 1, 1989

MAIN PHONE: (913) 296-2215 CONSUMER PROTECTION: 296-3751 TELECOPIER: 296-6296

The Honorable Ginger Barr State Representative, 51st District State Capitol, Room 115-S Topeka, Kansas 66612

Dear Representative Barr:

Attorney General Stephan informed me that Davis "Buzz" Merritt, Jr. of the Wichita <u>Eagle Beacon</u> has contacted you regarding the enforcement provisions of the Kansas Open Records Act (KORA).

Kansas law provides that "any person" may make application with the district court to seek enforcement of the KORA. K.S.A. 45-222. The KORA presently does not give the Attorney General authority to enforce the provisions of the act. The Attorney General may bring suit under the KORA only if the office of the Attorney General has made a request for access to public records and that request has been denied. Most citizens are without funds to challenge a state or local public agency or governmental body which has denied their request for public records.

Under the Kansas Open Meetings Act (KOMA), any person, the Attorney General, or the county or district attorney may bring an action in the district court to seek enforcement of the law. This office has actively supported and enforced the KOMA. As a result, we believe governmental bodies and agencies are more informed and in better compliance with this law, allowing the citizens of Kansas to be aware of what their government is doing.

Enclosed is a proposal to amend K.S.A. 45-222 of the KORA to give the Attorney General or county or district attorney authority to enforce the open records law. Attorney General Stephan has approved this draft and asked that I send it to you.

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 18 February 9, 1989 If you have any questions, or if I can provide any assistance in this matter, please do not hesitate to contact me.

Very truly yours,

OFFICE OF THE ATTORNEY GENERAL ROBERT T. STEPHAN

Rita L. Noll

Assistant Attorney General

RLN:bas

SUBJECT: HB 2118

τO:

Last summer I was approached by a constituent who raised concerns regarding the apparent ease with which young people in his area could get beer. After a short visit, it became clear that his concern was intense and valid.

As a teacher, I have heard the typical "Monday" stories of the escapades and heavy drinking by minors that take place almost every weekend. In many cases, these students are prone to brag on how they beat the system and acquired beer when they were underage. A favorite method is to find a person of legal age who agrees to purchase it for them. I don't know if there is any single way to prevent this, but I think we must all try.

In doing a little research, I found that K.S.A. 21-3610 and K.S.A. 21-3610a addresses this problem - selling or furnishing alcohol and Cereal Malt Beverages to a minor. The penalty is a minimum fine of \$200.00. K.S.A. 41-2615 concerns the consumption of liquor or CMB by a minor in a club or drinking establishment or on the premises of such club or drinking establishment. Fines are to be between \$100 and \$250 or imprisonment for up to 30 days. It seems to me that the fine for someone who purchases alcohol or CMB for a minor should be as great as that for the club owner who permits consumption by a minor who brings it into the club or who drinks it on their property.

By raising the fine to \$250, we are saying the person who purchases the CMB or alcohol is subject to the same fine as the club owner; a statement that I believe is valid and justified.

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 19 February 9, 1989 Dich Bowden

ANSANS FOR LAFE AT ITS BEST!

Lev. Richard Taylor, Box 888, Topeka, Kansas 66601

Phone (913) 235-1866 Office 1273 Harrison (3 Blocks South of Statehouse)

Hearing on House Bill 2218 House Federal and State Affairs February 9, 1989 Testimony by Jon Brax



A Proud Land

When SB 24 was being discussed on the House floor, Representative Turnquist offered an amendment to create a tax check off to fund children's programs throughout the state. During the ensuing debate I heard the remark, "We can never do enough for the children." I agree with that statement and believe HB 2118 also has that sentiment behind it.

Minors should have some responsibility for choices they make in obtaining alcohol, but the heaviest responsibility should be placed on those who provide alcohol to minors. Increasing the minimum penalty for this crime is a step in the right direction.

The Attorney General's Task Force on Drugs asked the Senate Judiciary Committee to introduce SB 152. The Task Force advocates increasing the classification of crime for subsequent convictions. This committee might consider adopting the subsequent convictions portion along with the minimum fine increase. SB 152 has yet to have a hearing in the Senate and I have been unable to contact members of the Task Force to ascertain the rationale for deleting the minimum fine portion of the law.

Please favorably consider HB 2118 and adding the subsequent convictions clause found in SB 152.

HOUSE FEDERAL & STATE AFFAIRS Attachment No. 20 February 9, 1989

"Of our political revolution of 1776 we are all justly proud," said Abraham Lincoln on Washington's birthday in 1842. He went on to say "how proud the title of that land" where persons declare their freedom from alcoholic beverages because they "shall find a stronger bondage broken, a viler slavery manumitted, a greater tyrant deposed. . .perfect liberty!" With per-person consumption at nearly half the national average, thousands of Kansans enjoy that perfect liberty. Concerned users and non-users are united in this R-E-A-L effort to prevent alcoholism, highway tragedy, and other suffering caused by our most abused recreational drug.

SENATE BILL No. 152

By Committee on Judiciary

2-3

15	
10	
16	
16	

AN ACT concerning crimes and punishments; relating to the crime of furnishing cereal malt beverage to a minor; increasing penalty; amending K.S.A. 21-3610a and repealing the existing section.

18 19

17

Be it enacted by the Legislature of the State of Kansas:

20 21

Section 1. K.S.A. 21-3610a is hereby amended to read as follows: 21-3610a. (a) Furnishing cereal malt beverage to a minor is buying for or selling, giving or furnishing, whether directly or indirectly, any cereal malt beverage to any person under the legal age for consumption of cereal malt beverage.

232425

22

(b) Furnishing cereal malt beverage to a minor is a class B misdemeanor for which the minimum fine is \$200, except that the second or subsequent conviction is a class A misdemeanor.

262728

(c) This section shall not apply to the furnishing of cereal malt beverage by a parent or legal guardian to such parent's child or such guardian's ward.

29 30

31

(d) As used in this section, "cereal malt beverage" and "legal age for consumption of cereal malt beverage" have the meanings provided by K.S.A. 41-2701 and amendments thereto.

32 33

(e) This section shall be part of and supplemental to the Kansas criminal code.

34 35 36

Sec. 2. K.S.A. 21-3610a is hereby repealed.

37 38 Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

39