Approved: _	(2001)	7/22/92
Approved	- Charles	Date

MINUTES OF THE SE	NATE COMMITTEE ON_	JUDICIAR	Y	
The meeting was called to	order by Chairpers	son Senator Wint W	Vinter Jr.	at
10:05 a.m. on	February 11, 1992	in room	514-S	of the Capitol.
All members were present	s ·			

Committee staff present:
Mike Heim, Legislative Research Department
Jerry Donaldson, Legislative Research Department
Gordon Self, Office of Revisor of Statutes
Judy Crapser, Secretary to the Committee

Conferees appearing before the committee: Reverend Richard Taylor, Kansans For Life At Its Best Lance Burr, Kickapoo Indian Nation Attorney General Steve Cadue, Tribal Chairman of the Kickapoo Indian Nation Gary Weiland, Hiawatha City Administrator Carole Cadue, Kickapoo Nation

Chairman Winter reopened the hearing for <u>SB 521</u>, continued from February 10, 1992. <u>SB 521</u> - state lottery limited to instant, keno and lotto games.

Reverend Richard Taylor, Kansans For Life At Its Best, testified in support of SB 521. (ATTACHMENT 1)

Written testimony from Ruth Picton, Hiawatha, in support of <u>SB 521</u>, was submitted to the Committee. (<u>ATTACHMENT 2</u>)

Lance Burr, Kickapoo Indian Nation Attorney General and General Counsel, testified in opposition to <u>SB 521</u>. He presented a brief history of the Kickapoo Nation in Kansas and offered a map of the lands held by that Nation in 1832. (<u>ATTACHMENT 3</u>) He also presented the Committee with copies of letters from northeast Kansas residents supporting the establishment of a casino by the Kickapoo Nation in their area. He stated that people living in that area of the state need economic development, and the jobs created by a casino would help all the citizens of the area.

Mr. Burr discounted the question of morality in casino gambling as irrelevant. He stressed that if the question was morality, more people would be helping the Kickapoo rather than fighting them when they have a plan for improving their economic conditions. The Kickapoo do not want either alternative of a toxic waste dump or a \$54 million prison any more than any other Kansan does.

Mr. Burr stated that bus loads of Kansans leave for other states' casinos on a weekly basis, and it would be to our advantage to have those dollars spent within Kansas. Kansas would receive all types of economic increases if gambling where allowed. He stated gambling is entertainment, and no matter where gambling is allowed, money will be spent so it would be better to keep it at home in Kansas. He outlined the Kickapoo's intentions for the facility, which would include a major luxury hotel, two theaters, and facilities for children such as an amusement park and entertainment center.

Responding to questions from the Committee, Mr. Burr stated he was the Assistant Attorney General who wrote the first opinion on the lottery and feels <u>SB 521</u> "does not make anything right." In his opinion, the State of Kansas has no right to tell the Indians what they can or cannot do on the federally controlled issue of gambling. He stressed that the issue was not a question of the morality of gambling but rather of Indian sovereignty.

Chairman Winter pointed out the Committee's intent was to address public policy and not to specifically prohibit the establishment of casino gambling by Indian tribes. He reiterated that the public policy question is what the Legislature and public thought they were approving with the passage of the constitutional amendment on lottery, not to target any specific group with prohibitions.

Steve Cadue, Tribal Chairman of the Kickapoo Indian Nation, testified in opposition to <u>SB 521</u>, citing racial bias. (<u>ATTACHMENT 4</u>)

Chairman Winter responded to Mr. Cadue by stating although there is much about Indian background and culture that non-Indians do not understand -- the rights of Indians are very important. The problem with organized criminal activity surrounding casinos, along with negative publicity and other criminal activities create

#### **CONTINUATION SHEET**

MINUTES OF THE	SENATE	COMN	MITTEE ON	JUDICIARY	,
room <u>514-S</u> ,	Statehouse, at	10:05	_a.m. on	February 11	, 1992.

consequences for casino operations that are very broad. It is a matter of public policy and state law, not selective applications.

It was noted the Legislature had not been given information on the compact in question. Mr. Cadue was asked for information to inform the Committee on the Kickapoo perceptions of how the arrangements would be made between the Indians, federal government and state government, what the plans for operations were, jurisdiction boundaries, expected problem areas, funding of enforcement entities, etc. It was further noted objective questions could not be resolved unless information was made available for informed discussion by all parties that would be involved.

Mr. Burr responded that the compact would be made available to the Committee. He also noted that Section 6 of the Compact would be very beneficial to the State of Kansas because it charges three different agencies with responsibilities. The Compact specifically states that the state has criminal jurisdiction on enforcement with the federal government prosecuting. He referred the Committee to Ralph Decker for specific answers to their concerns and questions.

Gary Weiland, Hiawatha City Administrator, read a letter from James Sherer, Hiawatha Mayor, in opposition to <u>SB 521</u>. (<u>ATTACHMENT 5</u>) Mr. Weiland added his opposition to <u>SB 521</u> and voiced his support for allowing the Kickapoo Nation to open a gambling casino in northeast Kansas. He concluded by offering a challenge to anyone to replace the economic advantages offered through gambling.

Carole Cadue, Kickapoo Nation, presented testimony on behalf of her sister, Cheryl Cadue, in opposition to  $\underline{SB}$   $\underline{521}$ . (ATTACHMENT 6)

The Chairman noted that racism of any kind would not be allowed to enter the discussion on the casino gambling issue. Only state policy on lottery and the intentions of the 1986 question on the ballot would be addressed. He requested the conferees submit a copy of the compact, and committee members would be notified of its availability on receipt.

This concluded the hearings on SB 521.

The meeting was adjourned at 11:14 a.m.

Page 1 of 2

#### VISITOR SHEET Senate Judiciary Committee

(Please sign)

Name/Company

Name/Company

6	Kapt June Ct	RTKATU 49
	Tooled of Jamis	Hawatha Daily World
(	Tori Wherles	Sen. Karis ofc
	Jame W. Burn	att. Gen. Kickopoo Wation
	Emery & Degensath	Kitapan Nation Council member
	Teonard Thomas or	Tretypoo Nation Council Hendre
	John Thomas	Kicka, São TRibal Council
0.00	Gary Weiland	City of Hawatha administra
	Jason David	EVERS + MidHeSchoolstyde
	Armal 3008 Bonnet	Kidapas Natur Council Mandre
	VERNA R. FINCH	·VICE- CHAIR, KICKAPOO NATION
	Sharon Lufdman	KCDC
	Kim Drake	Close-Up Hanses
	Lery Boyd .	Close up Kansas :
	1916 Wiland	City of Hiawathr
	LAURIE NEEMANN	City of Hiawatha.
	Carole Calue	(Jawrence) Kickagoo Olation
	Karen Cadul	Lickagoo Olation
	Kuth Kie	Kiekakar Mation
(	Whitney Samun	. Tete Mc Jill i Associatos
\	Tabreek XX Cerley	Las me quo Cassar
	Carl McDowldl	Lansas City.
	Dick Conter	Pete McBill 3 Associates
	DANA NELSON	KANSAS RACING COMM.
	Kalph Decker	Kornsus Lottery
	Carl Anderson	Kansas Lotzary

Date <u>Jeb 11, 1940</u> Page 2 of 2

## VISITOR SHEET Senate Judiciary Committee

(Please sign)

Name/Company

Name/Company

	1
John N. Roberts	Kansas Lottery
George Barbee	Int'L Games Tech
Nick ROACH	International Game Technology
Jim McRedida	Of God un
Mekeg Kalberloh	Close Up Kansas Organization
Busti Ruble	Close Up-Kansas
Daselle Zweigler	Fronkfurt University, Greinany
PAT EATON	Constituent Service
Derverstand	
Ramona Hilling	
Honald lee	· Hambling Supporter
J. A. Pinegar	mid american Daming Industries Corp.
Tony Ramireh	Gampling Supporter
Jakie V Kea.	
DSmitz	Mid American Coming Industries Corp.
Sue Bood	
.1	

onday, February 10, 1992 Hearing on SB 521 Senate Judiciary Committee

Rev. Richard Taylor Kansans For Life At Its Best!

SB 521 comes close to what lawmakers approved and voters ratified in 1986. The amendment speaks of "a" state-owned and operated "lottery." Both are singular. The issue was a numerical lottery only. If the amendment was to approve every form of gambling, it would have addressed the issue of state-owned and operated "lotteries."

Was state-owned and operated casino gambling approved in 1986? Please see my letter to lawmakers, December 20, 1991. SHOW ME ONE LAWMAKER WHO KNEW THE 1986 AMENDMENT PERMITTED CASINO GAMBLING AND I'LL SHOW YOU A DISHONEST LAW-MAKER.

Attached are two pages of A REPORT TO OUR PEOPLE.

Immediately following our time together in her office, I wrote a report of what was said and took it to her staff a few hours later. She made notes in long hand that were incorporated. The next day I took this second draft to her staff and she again made notes in long hand that were incorporated. I was then told it was satisfactory.

She looked this report over twice and never questioned her response to question 2. Now the media reports she is saying voters in 1986 knew the constitutional amendment would permit state-owned and operated casinos.

If casinos had been mentioned just once when the amendment was debated in the legislature or if casinos had been mentioned just once in the news media, would the amendment have passed? Voters in Ohio and Alaska rejected casino gambling. The city of Detroit has rejected casino gambling three times! Kansans have never voted on casino gambling.

Kansas founding mothers and fathers came from other states. They knew first hand the personal, social, and economic damage caused by gambling. They wanted Kansans to enjoy freedom from this criminal activity so they included in our 1861 constitution LOTTERIES AND THE SALE OF LOTTERY TICKET'S ARE FOREVER PROHIBITED.

Persons who refuse to learn from history are doomed to commit the same mistakes again.

We do not want more people losing more money to make rich those who promote this criminal activity. One year ago concerned citizens were thankful the Senate soundly rejected riverboat casino gambling, long before casinos were promoted by Native Americans.

If casino gambling in Kansas brings economic development, what is holding back the legislature? Pass legislation for casinos in the Topeka Industrial Park north of the river. Worker productivity at Goodyear will increase as workers hit the casinos going and coming from work. The state can take all the money.

Let our long time leaders in sound economic development, Boeing-Cessna-Lear Jet-Beech, invest in casinos at Wichita and give a big boost to economic development. Why all the fuss with Indian casinos? Let casinos be built at Goodland, Garden City, Salina, Hays, Pittsburg, Kansas City, and Lawrence. There are now 11 casinos all over Minnesota and more to be opened. Indians may buy land anywhere in Kansas and open casinos.

If casino gambling brings economic development, let the legislature get on with it. THE STARS THROUGH GAMBLING! We can easily update our state seal.

Those who believe more people losing more money is good for economic development do not understand the economics of gambling. Senate Judiciary Committee

Jehnary 11, 1992

Attachment 1

Respectfully yours, Faylor

1-1/4

s it right for casino gambling to come to Kansas without a vote of the people?

Is it right for the Attorney General and the Governor to go all out promoting casino gambling and never question if it should first be knowingly approved by the people? Because "state-owned and operated lottery" technically includes all forms of gambling, our Attorney General and Governor claim state-owned and operated casinos are legal.

Did the Revisor of Statutes office in 1986 know the constitutional amendment approved STATE-OWNED AND OPERATED CASINOS? If so, who did they tell?

Did one reporter in 1986 tell one newspaper that the constitutional amendment approved STATE-OWNED AND OPERATED CASINOS?

Did one lawmaker in 1986 know the constitutional amendment approved STATE-OWNED AND OPERATED CASINOS? If so, who was that lawmaker?

Did the Attorney General in 1986 know the constitutional amendment approved STATE-OWNED AND OPERATED CASINOS? If so, why was he silent?

Did the Governor in 1986 know the constitutional amendment approved STATE-OWNED AND OPERATED CASINOS? Was he ignorant of that fact?

686

Last Summer I found this in Black's Law Dictionary, Sixth Edition, 1990.

Genoese lottery /jenowiyz lótəriy/. Also known as the "numerical" lottery. As distinguished from the "class" lottery (see the title Dutch lottery), it is a scheme by which, out of 90 consecutive numbers, five are to be selected or drawn by lot. The players have fixed on certain numbers, wagering that one, two, or more of them will be drawn among the five, or that they will appear in a certain order.

This sounds close to what Kansas lawmakers and voters understood when the word "lottery" was used in 1986. News stories promoted what was a "numerical" lottery.

 $\frac{\text{For those}}{\text{options?}} \stackrel{\text{who love}}{=} \frac{\text{Kansas}}{\text{more than}} \stackrel{\text{they love casino gambling, do we have these}}{=} \frac{\text{have these}}{\text{options}}$ 

- 1. Let our state-owned and operated lottery die an unmourned death in 1992. The Indian Gaming Regulatory Act permits every form of gambling on Indian lands located in any state which "permits such gaming." If STATE-OWNED AND OPERATED CASINOS are no longer legal in Kansas, can they be permitted on Indian land?
- 2. Take the issue to the Kansas Supreme Court. The Court has ruled many times that constitutional provisions are restricted to permitting that which conforms with the common understanding of the masses when they adopted the amendment.

Vol. 225

JULY TERM, 1978

21

State ex rel. Schneider v. Kennedy

Courts do not strike down legislative enactments on the mere ground they fail to conform with a strictly legalistic definition on technically correct interpretation of constitutional provisions. The test is rather whether the legislation conforms with the common understanding of the masses at the time they adopted such provisions and the presumption is in favor of the natural and popular meaning in which the words were understood by the adopters. Hunt v. Eddy, 150 Kan. at 2, Syl. § 6; Leek v. Theis, 217 Kan. at 793; State, ex rel., v. Highwood Service, Inc., 205 Kan. 821, 825, 473 P.2d 97 (1970); Wall v. Harrison, 201 Kan. 600, 603, 443 P.2d 266 (1968); Higgins v. Cardinal Manufacturing Co., 188 Kan. 11, 360 P.2d 456 (1961).

Do you think these are valid options? Can you support these options? Do you love Kansas more than gambling revenue?

Respectfully yours, Joylor

1-2/7

## (Governor Finney read this and said it is accurate.) A REPORT TO OUR PEOPLE

On December 27, 1991, at 10:45 A.M. Governor Finney honored me with some time in her office to talk about an issue that is of great concern to those who love Kansas more than they love gambling revenue. Each had the boxed in questions below. I would read a question and write down her remarks on a yellow pad. Both of us made many comments recorded on the second page of this report. Back at my office, a rough draft was immediately typed and a copy taken to her office. She made notes in long hand of suggested corrections that are incorporated in this final report. My wife and I voted for her and asked others to do the same. Now thousands of us want to know why she is a leading promoter of more gambling. We asked:

- 1. Why did our 1861 Constitution include LOTTERIES AND THE SALE OF LOTTERY TICKETS ARE FOREVER PROHIBITED?
- 2. Because lottery includes every form of gambling, our Attorney General has declared that casino gambling was approved in 1986. An Attorney General opinion is just that an opinion. Only the Supreme Court can make that decision. Do you know of one person who believed casino gambling was being approved in 1986?
- 3. Is it right for casino gambling to come to Kansas without being knowingly approved by "the masses" when they voted?
- 4. Will you support laws that cause youth to become addicted gamblers?
- 5. According to the Wall Street Journal, "if the gambling enterprise is to survive and prosper," many people must lose a lot of money day after day. When more people lose more money, how does that help economic development? (KPERS losses help economic development?)
- 6. Many people equate the word RISK and GAMBLE. Do you see any difference in the meaning of these two words?
- 7. Should you as the Governor of Kansas, inform the Indians of the following?
- A. The legislature may sunset our STATE-OWNED AND OPERATED LOTTERY. STATE-OWNED AND OPERATED CASINOS would no longer be legal in Kansas.
- B. The Supreme Court may declare casino gambling was not included in the 1986 vote because that was not "the common understanding of the masses at the time they adopted" the constitutional amendment.
- C. According to guidelines by the National Indian Gaming Commission, tribal gambling halls may include slot-type machines only if they are authorized in "compacts" negotiated with their states. Our legislature may not approve Indian slot machines.
- 8. The Indian Gaming Regulatory Act permits every form of gambling on Indian lands located in any state which "permits such gaming." Is it right for you to not question the legality of casino gambling in Kansas and permit Indian leaders to proceed day after day as if casino gambling is and will always be legal on Kansas Reservations?

#### Responses Governor Finney

- 1. "Times have changed." 2. "No." 3. "That is a legal question."
- 4. "That is a leading question." (It was here she said, "I will not allow you to trip me up." I said "I am not trying to trip you up." She said, "Oh yes you are."
- 5. "You are so far out, Reverend. Gambling is recreation. This has nothing to do with KPER's and you know it!" (I had said if lots of people losing lots of money is good for economic development, we should be thankful for the KPERS and S&L mess. Firmly with a smile, she gave the above response.)
- 6. "No." 7A. "Yes." 7B. "No." 7C. "Yes."
- 8. "That is a legal question for the Attorney General and the courts."



She then said her support for more gambling is purely from an economic point of view. We need the revenue. She said the people have approved legal gambling an she will promote it. Whatever the people approve, she will do.

I then told her a group of us at the White House attending a briefing on drinking and driving heard President Bush say we must teach youth that choices have consequences. I pointed out the last WHEREAS of the Resolution. She said, "Yes, and a decision not to support more gambling has consequences - children will be hurt, families will be hurt because we need the revenue." I said, "You mean more gambling will not hurt youth and families?" (See WHEREAS at end of this report.)

I asked "Where does gambling revenue come from? Does it not come from people who lose?" She would not acknowledge that gambling revenue comes from people who lose.

She said over and over she supports more gambling because we need the revenue. I said end the lottery, replace it with a one-tenth cent sales tax, and the state would have the same amount of revenue to distribute.

She said, "Increase the sales tax on baby food?" I said NO, take the sales tax off all food but increase it from 4.25¢ to 4.35¢ on the dollar, one penny on a ten dollar purchase, OR increase any tax by \$21 million to replace lottery revenue and you will reduce the tax burden on Kansans by \$63 million not spent for lottery tickets. \$84 million revenue must be collected from the sale of lottery tickets for the state to have 21 million ADDITIONAL dollars for state agencies. (30% less 5% sales tax not collected means only 25% of lottery ticket sales is additional money)

This conversation took place as she walked with me out of her office, by the desks of her staff, and into the lobby where Lew Ferguson of the Associated Press was waiting for the next interview. In Lew's front page AP story the next day, she said "In this office my duty, as I see it, is to propose legislation and then sign off or veto it in the interest of the state as a whole." We agree.

I hope she was not angry with me. She called them "leading questions." All I wanted was the truth. As an old mechanical engineer, we deal in logic and facts.

The <u>choice</u> of politicians to promote laws that encourage more people to lose more money <u>have</u> <u>consequences</u>. Lawmakers who claim their YES or NO vote on gambling laws has no effect on the number of compulsive gamblers have run from reality and are not honest.

The following is the last WHEREAS of a Resolution hundreds of concerned Kansans are mailing to their Representative and Senator, asking them to let the lottery die an unmourned death in 1992. With it is a full page from TIME, February 25, 1991, where researchers point out that more gambling such as state lotteries and video slot machines promoted by state governments is sending a message to youth that this is "a normal form of entertainment" and "unless we wake up soon to gambling's darker side, we're going to have a whole new generation lost to this addiction."

"WHEREAS, Lawmakers must acknowledge that choices have consequences and their choice to vote YES and continue the lottery will send a message to youth that this is a normal form of entertainment, causing Kansas teenagers to become addicted gamblers. The economic strength of this nation depends on youth who believe education and hard work are needed to make money the old fashioned way - earn it."

She is <u>our</u> Governor. Many of us voted for her. We respect her. Her task is not easy. No matter what she does, some will praise her and some will condemn her.

We have never questioned her courage. She takes a stand and holds fast even if her own democrat legislative leaders oppose her.

We are saddened by her all out support for more gambling in Kansas, but we will continue to work with her and pray she will have the wisdom to do what is truly best for Kansas.

Rev. Richard E. Taylor, Jr. President KANSANS FOR LIFE AT ITS BEST! Box 888, Topeka, Kansas 66601

1-1/7

THE KANSAS LEGISLATURE DURING THE 1991 SESSION SOUNDLY DEFEATED RIVERBOAT CASINO GAMBLING. THIS WAS BEFORE INDIAN CASINO GAMBLING BECAME AN ISSUE.

Wednesday, April 17, 1991 / University Daily Kansan 14

# Senate considers

University Daily Kansan, Lawrence, 17 April 91

# riverboat bet

Bill would legalize riverboat gambling

By Joe Gose

Kansan staff writer

If riverboat gambling had been legal in Kansas in the early 1800s

opportunities to neighboring Missouri," he said. "This legislation provides yet another opportunity for Kansas to take the lead when it is

#### Riverboat gambling is bonanza

TOPEKA (AP) — Department of Commerce officials warned senators today that Kansas will miss the boat if riverboat gambling is not allowed in the state.

Kansas City officials also praised riverboat gambling, saying it could bring more than \$4 million in revenue to the state.

Only one opponent of the bill joined the officials in testimony before the Senate Federal and State Affairs Committee, which is considering a riverboat (McPherson Sentinel, April 9,1991) gambling bill.

The Rev. Richard Taylor, president of Kansans for Life at Its Best, the state's temperance and anti-gambling organization, said people who believe gambling will help the state are living in fool's paradise - a state of illusory happiness.

The bill under consideration by the committee would allow games such as baccarat, poker, craps, and 21 to be played on riverboats operated on Kansas rivers, especially the Missouri and Kansas rivers in the Kansas City area. The

#### deteats riverboat gambling Kansas City Star May 3, 1991

Measure is dead for this year. Backers had hoped it would help the economy, tourism in KCK.

By SCOTT CANON

2

Mid-America Correspondent

the Kansas City, Kan., econom. The push for riverboat betting

dent of Kansans for Life at its Best!, ng si of legalized gambling. said he strongly opposed the bill.

"The issue is not economic devel-Ser opment, revenue or travel and tour- char ism," he said. "Gambling is payment ore 1 for a chance to steal wealth from vices others. The issue is more peoplehd i losing money to gambling opera-y. tors."

> riverboat gambling said would not give up a fight began years ago.

"Another time will come, Sen. John Strick, a Kansas Chiron society."

At one point during the voting Thursday, the proposal had the support of 16 senators. Ten of TOPEKA — Efforts to revive those abandoned the bill, howbecame clear the

But the Rev. Richard Taylor, preside st sparks an outcry from opponents

depends on swindling people, we've got a mighty sick society," s the said the Rev. Richard Taylor Jr., ys to who heads Kansans for Life at Its enues of the

Added Taylor, who lobbies alized against legal betting and drinking Misin Kansas: "Revenue from gam-lar out bling is about the stupidest thing so has anyone can come up with. It's a ing. A

Bill — Authorized the Kansas Lottery to run gambling operations on boats docking in Kansas City, Kan.

Supporters promised at least \$11 million a year to the state from riverboat gambling.

Only one person, the Rev. "When economic development has Richard Taylor of Kansans For pends on swindling has Richard Taylor of Kansans that Life At Its Best!, argued that gambling eventually would corrupt the Kansas City area.

"Legal prostitution would raise revenue and attract tourists," he said. "That does not make right." o ocnate.

Sen. Ed Reilly, a Leavenworth Republican and an advocate of more legalized gambling, said that

risk the loss of money neighboring states.

# Riverboat gambling

Hays Daily News 5-3-91

TOPEKA (AP) - A bill that would have allowed riverboat gambling in Kansas sank like the Ti-

tanic, with Senators who initially supported the measure scrambling for life jackets.

The bill went down 6 -3 3



pass

#### ANSANS FOR LIFE AT ITS BEST!

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

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

September 9, 1991

Mr. Steve Cadue, Chrm. Kickapoo of Kansas Tribal Council PO Box 271 Horton, KS 66439



A Proud Land

Dear Mr. Cadue,

It is with a heavy heart that this letter is written. An Indian Tribal leader in Oklahoma indicated strong opposition to commercial gambling, saying it sent the wrong message to youth. I had hoped you would share that concern.

Stealing is taking from others. Under law, gambling has three elements: (1) PAYMENT for a (2) CHANCE to (3) TAKE from others.

As explained in the Wall Street Journal, "gambling is technically a swindle: the payoffs on bets must be less than fair, and the overwhelming majority of the 'investors' must eventually lose their money, if the gambling enterprise is to survive and prosper."

The bottom line for a successful gambling enterprise is for more people to lose more money. If lots of people losing lots of money is good for Kansas, the KPERS and S&L mess is great for economic development.

The Kansas Supreme Court has held that "lottery" includes all forms of gambling. The 1986 constitutional amendment approved by lawmakers and by the people permits STATE OWNED AND OPERATED LOTTERY gambling in Kansas.

But in 1986, those working for more commercial gambling in Kansas promoted a ticket money lottery as in other states, when they encouraged lawmakers and the people to vote YES. When and where was it said that a YES vote would include Las Vegas casino gambling on a riverboat or in Wichita or on your Reservation?

Mr. Stephan should have told you the "Courts do not strike down legislative enactments on the mere ground they fail to conform with a strictly legalistic definition on technically correct interpretation of constitutional provisions. The test is rather whether the legislation conforms with the common understanding of the masses at the time they adopted such provisions and the presumption is in favor of the natural and popular meaning in which the words were understood by the adopters."

An Attorney General's opinion is just that - nothing more. Only the Kansas Supreme Court can determine "the natural and popular meaning in which the words were understood by the adopters."

Every informed person knows that Atlantic City is an economic and social disaster. The poor are poorer, crime has skyrocketed, and some casinos are bankrupt. Concerned citizens do not want an "Atlantic City" in Kansas.

"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 vilet slavery manumitted, a greater tyrant deposed perfect liberty!" With per-person consumption at nearly hall the national average. Thousands of Kansans enjoy that perfect liberty. Concerned users and non-users are united in this R-1-A-1 effort to prevent alcoholism, highway tragedy, and other suffering caused by our most abused recreational drug.

Rehabilitation Help alcohol-dependent persons adjust to life without the drug

Education Inform children, youth & adults of effect of alcohol on mind & body

Amount I neonrage persons to be non-users and encourage users to use less

Law Pass and enforce laws that reduce consumption and suffering

1-6/7

Las Vegas is successful because the city is full of economic blood suckers. The life blood of this nation is the Gross National Product. Casinos are rich in Las Vegas because they suck GNP wealth out of other states. If every city in every state had casino gambling, Las Vegas would be just another city.

The Mayor of Las Vegas told visitors to remember "all of these plush hotels and casinos around here were built by people like you - with your gambling losses. Very few of our permanent residents gamble. They couldn't afford to live here if they did."

How wonderful it would be if native Americans would promote an industry that would add to the GNP, that would teach youth that reward follows effort, that would produce something of value for others rather than trying to take from others what has been produced by brain and brawn.

Southern slave owners practiced this gambling mentality. "You sweat and toil, and I'll live off the fruit of your labor." That is the philosophy of casino operators in Las Vegas and Atlantic City. Is that what you want for your people?

"Yet for the past decade, in state after state, citizens have eagerly welcomed not only legalization but government sponsorship of gambling, an activity that was once generally regarded as a vice and that many experts consider as addictive and socially destructive as narcotics." FINANCIAL WORLD, March 5, 1990

Indians and white people have great problems with addiction to alcohol and other drugs today. Do we need another addiction problem tomorrow?

Like the black man, the native American has plenty of reasons to hate the white man. But how wonderful it would be if native Americans were smarter than white men now promoting slavery to gambling. It would be good if you shared the concern of the tribal leader in Oklahoma and Indians in the east who hate casino gambling because of what it does to your people.

Respectfully yours,

Rev. Richard Taylor

Richard Toylor

RET: lb

My Grandfather came to Kansas in the 1860's - a civil engineer who helped to lay out the first railroad into

I am Ruth Picton, Hiawatha, Kansas, Route 3.

Northeast Kansas and across Brown County. In order to make this a better place to live. He then went back home and married his sweetheart, bringing her back to Brown County to live.

They put their hands to the plow and turned under the sod. Grandfather passed a petition to lay out a school in our community. They then purchased a farm (The farm on which I now live) and raised a family. My father then married my mother. She taught school and gave music lessons at our local school. All to make this a better place to live.

I am chairman of the Brown County Services for the Elderly Board, I am on the Northeast Kansas Area on Aging Board, and I am the Silver Haired Legislator for Brown County. I have been a 4-H Club leader, a Sunday School teacher, and the Democratic Committee woman for Hamlin Township. My husband served on School Boards, my father was on School Boards, and my brother served on School Boards; all to make this a better place to live.

Now, at our back door, the Kickapoo leaders propose to build a casino which would be just over a mile from our High School. God Forbid! Has all our hard work been for naught? I do not believe the Kickapoo children's ancestors would have wished this for their people either.

her. Senate Judiciary Committee February 11, 1992 Attachment 3 - 1/2 I now have Great Grandchildren. I would like for them to learn the work ethic which made this state great. I want them to get a good education, and to have high goals. We do not need or want gambling, drugs, and crime in our community or in the state of Kansas.

Please! Help us to have a good place to live and raise our families.

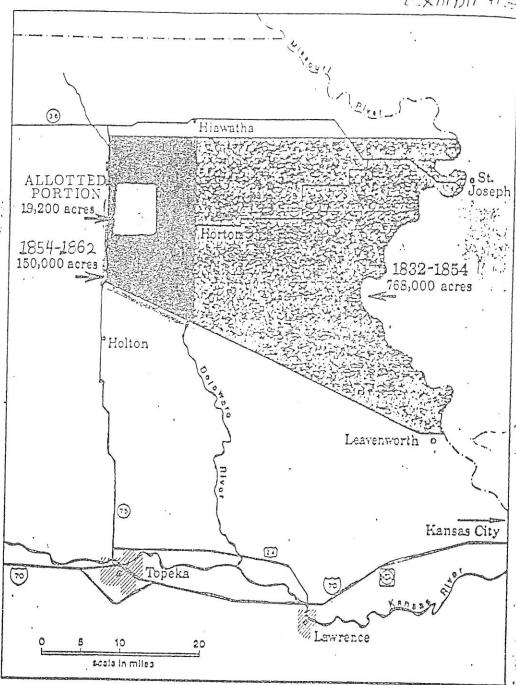


Figure 4. Kickapoo reservations in Kansas from 1832 to the present

72

Senate Judiciary Commette Debruary 11, 1992

#### From the Office of the Chairman February 11, 1992

### **TESTIMONY PRESENTED AGAINST SENATE BILL NO. 521**

My name is Steve Cadue and I am the elected Tribal Chairman of the sovereign Kickapoo Indian Nation. I am submitting testimony on this proposed legislation in behalf of the Tribal Council of the Kickapoo Indian Nation. The Kickapoo Indian Nation is governed by the Kickapoo Tribal Council Constitution & By-Laws adopted February 27, 1937 in accordance with the federal Indian Reorganization Act of June 18, 1934. The inherent powers of the Kickapoo tribal government are recognized in the treaties signed between the Kickapoo Nation and the United States of America. The self-governing powers of the Kickapoo Nation as an Indian tribe are also found in the federal Constitution of the United States and other court decisions.

There has been a considerable amount of controversy about the right of the Kickapoo Indian tribe to engage in a lawful economic development business referred to as Indian Casino gambling. This rightful ways and means for the Kickapoo Tribe to establish Indian gaming is supported in the federal Constitution, in the Kansas Constitution, in the Kickapoo Constitution, the Kickapoo Treaty and in the Indian Gaming Regulatory Act. I would like to assure this Kansas Senate Judiciary Committee that we thoroughly researched the matter of Indian Casino gambling prior to entering into negotiations with the State of Kansas under the federal law and regulations found in the Indian Gaming Regulatory Act of October 17, 1988. We must strongly emphasize here that Attorney General Robert Stephan issued an opinion that Indian tribes could lawfully conduct Las Vegas type casino gambling in Kansas. Your committee must also understand that one of the most dangerous elements in opposition to Indian casino gambling is the competing non-Indian gaming interest, i.e., persons who have political or private interests in the present state of Kansas horse and dog racing. Now, near the end of the negotiation period, Attorney General Stephan has recommended to this committee that the

Senate Judiciary Committee February 11, 1992 Attachment 4 rules can be changed. To do so now is both unfair and discriminatory. We believe we have diligently followed the exact procedures as outlined in the referenced federal Act. These exacting negotiations were conducted in good faith and were culminated with the governor of the state of Kansas on January 16, 1992. Our Kickapoo/Kansas compact was immediately forwarded to the U.S. Department of the Interior as per the procedure as outlined in the Indian Gaming Regulatory Act. The Secretary of the Interior has the final approval responsibility in accordance with the Act.

Kickapoo Self-Determination cannot be achieved without being self-sufficient Every individual, every government must strive to become self-sufficient. For far too long, the Kickapoo people have survived in a nearly absolute state of poverty. Ask any impoverished person and they will tell you that it is not good to be poor.

But, of course, no one has to remain poor. The mere legal right to Indian sovereignty does not put food on our table, to clothe us, to educate us, to give us an opportunity to enjoy the fruits of America. The Kickapoo people must exercise their right to self-sufficiency and true Indian Self-Determination. It is for this reason why we began the negotiations to establish a gaming enterprise for the Kickapoo people. We believe that a properly managed gaming enterprise will provide the Kickapoo Nation with much needed revenue and will also provide jobs to an economically depressed northeast Kansas.

Our goal of Indian gaming is no different than that found in Section 3 of the Indian Gaming Regulatory Act. The purpose of this Act is:

- (1) to provide a statuory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments.
- (2) to provide a statutory basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences, to ensure that the Indian tribe is the primary beneficiary of the gaming operation, and

to assure that gaming is conducted fairly and honestly by both the operator and players; and

(3) to declare that the establishment of independent Federal regulatory authority for gaming on Indian lands, the establishment of Federal standards for gaming on Indian lands, and the establishment of a National Indian Gaming Commission are necessary to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue.

Indian gaming is a constitutional right of the Kickapoo Tribe as defined in the Indian Gaming Regulatory Act and is constitutionally correct with the Kansas Cosntitution. The electorate of Kansas approved the gaming constitutionality and now the Kickapoo Nation is exercising its power of self-government of a federally recognized Indian tribe. Senate Bill 521 is "selective legislation" targeted at a certain racial group of people and is therefore constitutionally unsound. The ugly spectre of racism is rooted in the origin of Senate Bill 521 and if alowed to pass, the whole legislative body can be viewed as a return to the ugly era of laws decided by color.

The American Indian people ask that you look beyond the color of race and defeat Senate Bill 521 or any other legislation that is based on denying constitutional Self-Determination.

## City of Hiawatha

723 Oregon Hiawatha, Kansas 66434

Regular Meetings 5:35 P.M. Monday of Each Week

Telephone 913 742-7417

Office of the Mayor

February 11, 1991

Distinguished Members of the Committee:

Let me first say thank you for allotting this time for me to address a subject that I have become quite familiar with during the past weeks. Unfortunately, due to scheduling conflicts, I am unable to appear in person. So, I have asked the City Administrator to read my statement into the record.

Our community is in dire need of economic development. Almost weekly, we hear of another business closing. When the Bank of Horton student loan department closed, about three hundred of our local residents lost their jobs. As you might well imagine, as Mayor I am very concerned with my constituents financial well being.

The opposition to the casino, the "People against casinos" are negative in their outlook. They can only say that they don't want a casino. They can't come up with anything positive. They don't have any suggestions about other industries willing to locate in our city. They can't see anything good coming out of the new industry, only the negative aspects. Negativism has never accomplished anything positive in our community. Let me also say for the record that the majority of Hiawatha citizens support economic development and therefore the Kickapoo casino.

Let me tell you what positive things have already resulted from our quest to secure the casino for our town.

- 1)I and other members of my city council have developed a respect for the members of the Kickapoo Tribal Council. We have come to know our neighbors and appreciate them.
- 2) I have developed a real friendship with the Chairman of the Kickapoo Tribal Council, Steve Kadue.
- 3) Our City Council have united in the effort to attract economic development to our city.
- 4) We have learned to recognize racism in all forms and denounce it.

1 Senate Judiciary Committee February 11, 1992 Attachment 5

1/2

5) All local city governments and the county government have united in this cause and are talking about other possible projects.

In these days of mounting deficits, isn't it refreshing to have someone come in and ask for just the opportunity to start a business and employ people? We are not asking for a handout, but a handup for the Kickapoo Nation. I know that it seems to good to be true but, entrepenurism is what built this country and I believe it is what will make this country great once more.

Our little community doesn't have many opportunities to attract a business that will employ 100 people, much less one that employs 1,100 to 1,500. Please give us the chance to put our people back to work and take them off of welfare and unemployment.

Thank You.

James T. Scherer, Mayor

In Opposition to Senate Bill No. 521

Mr. Chairman and Committe Members:

My name is Cheryl Cadue and I am a member of the Kickapoo Nation.

I would like to provide testimony against Senate Bill No. 521. This
bill is simply an effort to play upon already existing prejudices against the Kickapoo Nation.

Ours is a viable government. It is too bad your education system failed to look at other cultures and other systems. That ignorance is not the fault of the Kickapoo Nation. We know your system—why are you just now making an effort to learn about us?

It is totally inappropriate that this lawmaking body should presume to legislate on our behalf. Further, this body presumes to interfere in our exercise of sovereignty. Why should only the rich and the powerful be allowed this right?

To single out a group of people is unconstitutional and reprehensible by any standard. We will not be your scapegoats. Don't give in to partisan politics, special interests, or personal prejudices. Finally, do not entertain this bill.

Thank you.

RESPECIFULLY SUBMITTED

Senate Judiciary Committee February 11, 1992 Attachment 6

# Business ties raise questions

By JOHN HANNA The Associated Press

A senator pushing anti-casino gambling legislation has indirect ties to a pari-mutuel racing park that could be hurt financially if a casino is built in northeast Kansas, records show.

Sen. Dick Bond, R-Overland Park, is a top official in a Kansas City, Kan., bank that does business with the Woodlands, also in Kansas City, Kan. The bank also loaned the park's operators \$1 million to help finance its construction.

Racing industry officials have expressed concern about the possibility that one or more of the state's four Indian tribes might build a casino on their reservations or in the Kansas City area. They think a casino might take betting dollars away from the Woodlands.

Bond is the primary sponsor of a bill and a proposed constitutional amendment to outlaw casino gambling in Kansas. The proposals are designed in part to keep the Indian tribes from opening casinos.

The senator's activities are entirely legal under the state's ethics laws. However, Democrats have been discussing them privately, and Democratic Gov. Joan Finney said on Monday that Bond might have a conflict of interest.

"It appears it might be," Finney said. "I don't want to say it is."

Bond said there is no link between his business activities and the legislation.

"I have one intention, and that is to permit Kansans to say in a clear way whether or not they want casino gambling," Bond said.

The four Indian tribes in northeast Kansas — the Iowa, Kickapoo, Sac and Fox and Prairie Band Potawatomi, all have expressed an interest in building casinos.

Finney has signed a compact

Continued on page 2-A, col. 1



Sen. Dick Bond

# Business ties raise questions

Continued from page 1-A

northeast of Topeka. Sac and Fox leaders have discussed opening a casino in the Kansas City area.

Many legislators oppose casino gambling, and Bond's two proposals both have 22 other sponsors, from both political parties, although most are his fellow Republicans.

"I think if I were him, I'd have somebody else take the lead," said House Majority Leader Tom Sawyer, D-Wichita. He said Bond's business ties are an example of how legislators can help their private businesses while serving in the House or Senate.

But Senate President Bud Burke, a Republican from Leawood, said Democrats are talking about Bond because they know the governor is in some political danger over casino gambling.

"I would guess that any time somebody opposes something, they can look for some subterranean motive behind the issue, but I think his district is very much opposed to casino gambling, as my district is," Burke said.

Bond is chairman of the board of Home State Bank of Kansas City, Kan. Records filed with the state banking commissioner's office in March 1986 and each March after that list him as holding that position.

Home State Bank is owned by a holding company, First American Bancshares Inc., also of Kansas City, Kan.

In records filed in March 1991 with the Federal Reserve Bank of Kansas City, Mo., Bond is listed as First American's senior vice president of marketing and as a direc-

The federal records also show Bond owned 2,292 shares of First American common stock, or nine-tenths of 1 percent of the total. The records said the stock was worth \$10 a share.

Bond reported his interest in the holding company on statements of substantial interest he was required to file with the secretary of state's office. Under state law, he had to file a statement when he was appointed to the Senate in December 1986 and each April after that.

Bond must list businesses in which he or his wife, Sue, have interests of 5 percent or with the Kickapoo tribe to allow it to open a \$5,000, whichever is less. Bond's statements casino on its reservation, about 50 miles also have said he received more than \$2,000 in compensation annually from Home State Bank since 1986.

> "There are plenty of the rest of us who feel just as strongly as he does that casino gambling is not good public policy," Burke said. "Any of us could have been the principal sponsor."

> In October 1988, Home State Bank and four other banks loaned \$40 million to Sunflower Racing Inc., the developer that built the Woodlands. The entire complex, which has separate dog and horse tracks, eventually cost between \$72 million and \$73 million.

> Home State Bank provided \$1 million -2.5 percent of the total - according to records filed with the state Racing Commission. According to documents filed with the Federal Reserve, the bank's holding company had \$141.3 million in outstanding loans at the end of 1990.

> Bruce Rimbo, Sunflower's executive vice president, said Home State Bank now handles most of Woodlands' operating accounts. He didn't know how much money is involved, but in 1991, the complex's operating revenues were \$42.5 million.

> The discussions about possible Indian casino projects came as Woodlands officials expressed concern about the financial condition of their complex.

The complex's operating revenues declined by 20 percent, from \$53.2 million in 1990 to \$42.5 million in 1991. Net income declined 77 percent, from \$5.6 million to \$1.3 million.

"I think a casino in Hiawatha would hurt them 15 to 20 percent," said Dana Nelson, the state Racing Commission's executive director. "If you built a casino next door, within three or four miles, the Woodlands probably would be dead in the water in two years."

However, Bond noted that if Sunflower were involved in a casino's operation, it could make profits and help its complex. Rimbo indicated the idea has come up, but he said Sunflower officials haven't discussed it seriously.