

Approved: 1/19/94
Date

MINUTES OF THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Clyde Graeber at 1:30 p.m. on January 13, 1994 in Room 526-S of the Capitol.

All members were present except: Representative Darlene Cornfield, Excused

Committee staff present: Mary Galligan, Legislative Research Department
Lynne Holt, Legislative Research Department
Mary Ann Torrence, Revisor of Statutes
June Evans, Committee Secretary

Conferees appearing before the committee: Janet Chubb, Executive Director, Kansas Racing Comm.
R. K. Teichgraeber, President, Eureka Downs
Horsemen's Association, Inc.
Karen Tolle, Kansas Quarter Horse Racing Association

Others attending: See attached list

The Chairperson opened the hearing on HB 2577 and asked Janet Chubb, Executive Director, Kansas Racing Commission, to visit with the committee on the concept she brought forward.

Janet Chubb, Executive Director, Kansas Racing Commission shared the material requested by the committee on January 12. This includes a draft outline for a regulation on reimbursement of mutuel cashbox shortages, copies of letters reporting statistics on the same subject and a summary of commissioner and reimbursable salary expenses. Ms. Chubb stated that this was not in any way intended as amendments to the proposed legislation. (See Attachment #1).

Ms. Chubb stated the legislators would have the Racing Commission's Annual Report in their mailboxes today.

Richard Teichgraeber, President, Eureka Downs Horsemen's Association, Inc., testified in opposition of HB 2577. Mr. Teichgraeber stated that this was a clean-up amendment. (See Attachment #2)

Karen Tolle, President, Kansas Quarter Horse Racing Association, testified in opposition of HB 2577 stating they would like to see the county horse racing benefit fund remain as is. (See Attachment #3)

There was discussion as to what the opponents were really wanting and after several questions from the committee, the Chairperson asked the opponents to confer with the Kansas Racing Commission and settle their differences before coming back before the committee. It is felt these differences should be resolved before testifying in committee hearings.

Representative Graeber announced he was recessing the hearing on HB 2577 and that the opposing parties should confer with the Racing Commission and come back with a united position and nothing more will be done on HB 2577 until this is resolved. One day later in the legislative session will be devoted to hearing HB 2577.

The Kansas Racing Commission will notify the Chairman when these matters have been resolved.

Representative Smith asked Mr. Bruner if he had a problem with HB 2577 being within the law?

Mr. Bruner stated he did.

Representative Plummer stated the Legislature can create an exception and this would be within the law.

The Chairperson asked the members to look at their bill books and see if they wished to report the following bills out of committee adversely: HB 2016, HB 2127, HB 2142, HB 2290, HB 2293, HB 2310, HB 2401 and HB 2435. The Chairperson stated these bill have either been looked at or superceded by other legislation and it is felt these bills could be reported out adversely.

Representative Smith moved and Representative Empson seconded to report HB 2016, HB 2127, HB 2142, HB 2290, HB 2293, HB 2310, HB 2401 and HB 2435 out of committee adversely. The motion carried.

Representative Empson moved and Representative Gilbert seconded to approve the minutes of January 10 and 11, 1994. The motion carried.

The meeting was adjourned at 2:30 PM.

The next meeting will be January 19, 1994.

Date: 1/13/94

FEDERAL and STATE AFFAIRS COMMITTEE

NAME	ORGANIZATION	ADDRESS
Richard Turpin	KTA	22753 Dempsey Rd Leavenworth, KS 66048
Mary Smith	KTA	234 W Chestnut Olathe 66061
John M. Hely	K.T.A.	504 Lake Forest Bonner Spr. KS - 66012
Jim & Sonia Yount	K.O.H.R.A.	Rt 1 Box 158 Valley Falls, Ka 66088
Janet A. Chubb	KRC	Topeka
Karen L. Tolle	KQHRA	Overland Park, Co.
RK Green	Emeka Down Home Assoc	Emeka Ks
Frances Snel	KRC	Topeka
Steve Johnson	KRC	Topeka
Jim Allen	Camp Town	Topeka
DON BRUNER	Topeka	KDHR
Kenneth G. HARSO	KRC	Topeka
Russ FREY	Ks Vet Mod Assoc	Topeka
Denny Burgess	Sunflower Racing	Topeka
Bruce Rimbo	Sunflower Racing	K.C.

Date:

FEDERAL and STATE AFFAIRS COMMITTEE

[illegible]

STATE OF KANSAS



KANSAS RACING COMMISSION

3400 Van Buren
Topeka, Kansas 66611-2228
(913) 296-5800
FAX (913) 296-0900

January 13, 1994

The Honorable Clyde Graeber
Chair
House Committee on Federal and State Affairs
300 SW 10th, Room 115 South
Topeka, KS 66612

Dear Chairman Graeber:

Attached are copies of materials requested by members of the House Committee on Federal and State Affairs on January 12, 1994. They include a draft outline for a regulation on reimbursement of mutuel cashbox shortages, copies of letters reporting statistics on the same subject and a summary of commissioner and reimbursable salary expenses. We appreciate the committee's attention to our proposed amendments.

Respectfully,

Janet A. Chubb
Janet A. Chubb
Executive Director

94JAC3-dpb

F, 5A
1-13-94

Atch # 1

OUTLINE OF REGULATION FOR K.A.R. 112-9-_____

- I. The organization licensee files with and obtains the approval of the Kansas Racing Commission for a "shortage policy" and mutuel teller consent form to be used with the policy.
- II. The policy approved by the commission generally should address a "rolling year" term and the following conditions:
 - a. the teller receives written notification of each shortage;
 - b. disciplinary action may be taken for the occurrence of four or more shortages totalling more than \$100.00 or an individual shortage totalling \$100.00 (numbers for purposes of illustration only);
 - c. for shortages of more than \$5.00, the teller may consent to reimburse the track, if a mutuel teller employee committee finds:
 - i. there is no evidence of machine malfunction;
 - ii. there is no evidence of customer interference with the money transaction, including customer refusal to pay;
 - iii. there is no evidence of third-party error or conversion/theft, e.g. in the "skims."
- III. The parimutuel teller meets with the track's personnel department and is fully advised of the track's "shortage policy."
- IV. For each event for which a teller agrees to repay a shortage to the organization licensee, the licensee files with the commission an affidavit that identifies the teller, the teller's length of service and salary and a statement that each of the conditions stated above has been satisfied. The teller's consent form shall be attached to the affidavit.



COPY

Roy Berger
Executive Vice President

DATE: January 7, 1994
TO: Janet Chubb VIA FAX
FROM: Roy Berger *RB*
RE: Information Requested

Here is the statistical information you requested regarding mutual clerks at WGP.

- Clerks presently employed - 71
- Total clerks since WGP opened - 337
- Average length of employment - 7.8 months
- Terminations due to shortage policy (18 months) - 17
- Suspensions due to shortage policy - 22

Please advise if there is any additional information you desire.

c: Pat Hubbell

1. EXPLANATION - THE FAIR BILL 74-8838 WAS TO PROMOTE HORSE RACING AT EUREKA DOWNS AND ANTHONY. IN 1990 WHEN EUREKA DOWNS FAILED THE KQHRA, SENATOR GAINES, REX CROWELL, DAVE CORBIN AND OTHERS ASK WHAT THEY COULD DO TO LIFT THE RESTRICTIONS AND COSTS IMPOSED BY K.R.C. WE THEN DRAFTED A BILL TO HELP THIS SITUATION. IT PASSED CREATING MONEY FROM SIMULCASTING TO PAY THE BILL FOR THINGS AS STATE STEWARDS, HEALTH OFFICIALS, JUDICIALIZATORS, MONEY FOR HORSE PURSES AND OTHER COST AS DEFINED BY K. R. C.. ANTHONY HAS BEEN THE FIRST TO TAKE ADVANTAGE IN 1993 AND EUREKA IS TO START IN 1994. THIS HAS CREATED ONCE AGAIN EXCITEMENT IN THE HORSE RACING COMMUNITY. WE LOOK FORWARD TO HAVING YOU VISIT EUREKA THIS YEAR BETWEEN MAY 14TH AND JULY 10TH WEEKENDS AND HOLIDAYS ONLY.

1-13-94

Eureka Downs Horsemen Assn Inc
R K Freshgraber

FUSA
1-13-94

Atch #2

THINGS I WOULD LIKE THE COMMITTEE TO CONSIDER AS A CLEAN
UP PART OF HOUSE BILL KRC 2577.

1. WHERE EUREKA DOWNS IS LISTED LEAVE IT AS IT IS. I
TALKED TO KRC AND WAS ASSURED THAT THEY DIDN'T WANT TO
HURT EUREKA DOWNS. THIS MAY NOT BE A PROBLEM WOULD LIKE
TO WORK OUT WITH KRC.

PAGE 2 LINE 24 PAGE 2 LINE 36

2. KRC SHOULD NOT HAVE AUTHORITY TO TAKE ADMINISTRATIVE
COST WITHOUT DEFINING WHAT THEY ARE. THIS COULD EXPAND
UNTIL THERE WASN'T ANY THING LEFT FOR THE FAIR TRACKS NO
REFLECTION ON PRESENT KRC BUT THEY SOMETIMES ARE REPLACED
BY PEOPLE NOT KNOWING THE WHOLE STORY.

PAGE 31 LINE 21-22-23-24

3/ NO PAY FOR RACING JUDGES IF THIS TRULY IS A HORSE
RACING FAIR BILL - THEY ARE STRICTLY FOR GREYHOUNDS.
GREYHOUNDS HAVE AMPLE OPPORTUNITIES TO RUN DAYS WITHOUT
TAKING MONEY INTENDED FOR HORSE RACING.

PAGE 31 LINE 24

4. THE RESTRICTIONS PERMITTING ONLY 9 WEEKS SHOULD BE
EXPANDED. THERE ARE POSSIBLE 21 DAYS FOR FAIR MEET. IF

1-13-94

Eureka Downs Horsemen Assn Inc
RKC Eureka Downs Pres

22

YOU RUN 2 DAYS A WEEK THEN IT IS NOT POSSIBLE TO FIT IN 9
WEEKS AND IF SOME ONE WANTED TO SPLIT THEIR MEET IT IS
STILL A PROBLEM. LEAVE THAT TO KRC.

PAGE 25 LINE 34

5.. LEAVE THE AUTHORITY TO THE KRC TO DETERMINE WHO GETS
TO SIMULCAST AND FOR WHAT LENGTH NOT ANOTHER TRACK.

PAGE 25 LINE 42

1-13-94

Eureka Downs Harsemens and Inc

R K Teach grader pres

pg 32
line 19-20

Chairman Grube and members of the House Federal & State Affairs committee. My comments today concern New Sec. 12 in HB 2577. We would like to see the county fair horse racing benefit fund remain as is not ~~not~~ be changed to only a fair racing fund. The county fair horse racing fund was set up to provide for more horse racing opportunities in Kansas. Due to the creation of this fund Anthony Downs was able to run pari-mutuel horse racing in 1993 and Euro Downs will be back in operation in 1994 and provide 20 horse racing days. With the Woodlands this brings the total number of horse racing days in Kansas for 1994 at approx. 90 days. The greyhound racing opportunities in Ks. for 1994 will be approx 600 racing days with over 800 greyhound performances. There will be more racing opportunities for greyhounds when Petersburg begins pari-mutuel greyhound racing. We would like to see the County Fair Horse Racing Benefit Fund remain as it is at this time for the benefit of horse racing and the agricultural economic development that it provides Kansas.

Karen Teller
Ks. Quarter Horse Racing Assoc.