

Approved: 4-29-06
Date

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Pete Brungardt at 10:30 a.m. on March 7, 2006 in Room 231-N of the Capitol.

All members were present except:

Senator Dennis Wilson- excused

Committee staff present:

Athena Andaya, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Mary Ann Torrence, Revisor of Statutes Office
Connie Burns, Committee Secretary

Conferees appearing before the committee:

Patti Biggs, Kansas Sentencing Commission
Matt All, Chief Counsel to the Governor

Others attending:

See attached list.

Patti Biggs, Executive Director, Kansas Sentencing Commission, provided the committee an update on **SB 123**. (Attachment 1) The information covered:

- Sentencing Activity and Court cases
- Offender Risk of Reoffense - LSI-R Level of Services Inventory-Revised
- Substance Abuse Treatment - Interventions 1) modality types 2) termination types
- Treatment payments & treatment budget
- Geography of Certified treatment providers

Matt All, Chief Counsel to the Governor, introduced and briefed the committee on the Gaming Bill. (Attachment 2) The bill would:

- State of Kansas, through the Kansas Lottery Commission (KLC), will be the owner of all expanded gaming operations
- Destination casinos authorized for Wyandotte County, and Crawford and Cherokee counties jointly
- Destination casinos Manager Privilege Fee of \$35 million, in addition to the \$200 million into gaming and ancillary facilities
- The management contract will include 24% for the state of Kansas
- 3% for the county government if facility is not within a city
- 7,000 slots distribution through pari-mutuel dog and horse racing tracks in Frontenac, Kansas City and Wichita
- Permits slots in Dodge City, if a horse or dog track is built
- Managers would pay an "exclusive gaming zone license fee"
 - a. Wichita Greyhound the fee is \$10 million, and state would distribute \$10 million to Sedgwick County
 - b. Dodge City gambling operation fee is \$3 million, and Ford County upon approval by the KRGC for construction of the pari-mutuel, and state would distribute \$3 million to Ford County.
- The manager of each pari-mutuel facility will pay the state of Kansas \$15,000 per machine in its facility, accelerated gaming revenue payment will be credited against the \$15,000 per machine payment
- 1% for the Kansas Problem Gaming fund to be administered by the KRGC
- 1% for the Kansas Charitable Gaming Foundation Board
- Management fee, to be determined by the management contract

A flow chart for the bill and a spreadsheet showing estimated State Revenue for the 2006 Gaming Proposal was provided to the committee.

Senator Vratil moved the bill introduction as a committee bill. Senator Gilstrap seconded the motion. The motion carried.

Chairman's comments:

Senator O'Connor protested the time between introduction of the Gaming Bill and its hearing schedule. She felt that interested parties needed more time to prepare.

Senator Brownlee questioned the motive of the bill introductions and briefing, she felt that notice should have come sooner.

Senator O'Connor, Senator Brownlee, and Senator Ostmeyer left the meeting.

Final Action:

SB 575- Topeka/Shawnee county riverfront authority act

The revisor drafted a balloon that included language changes. (Attachment 3) On page 2 Sec. 6, added "except as provided by subsection (c), the", and new section (c) "The authority shall not have the power to take property by eminent domain" and language change on page 3 on line 3 and line 5 with "or state government or any local government, or any agency thereof, or any other public or private entity".

Senator Hensley moved the amendment. Senator Gilstrap seconded the motion. The motion carried.

Senator Hensley moved to pass HB 575 out favorably as amended. Senator Reitz seconded the motion. The motion carried.

The meeting was adjourned at 11:35 am. The next scheduled meeting is March 8, 2006.

SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

GUEST LIST

DATE 3-7-06

NAME	REPRESENTING
John Bahhou	Ruffin Companies
Christy Caldwell	Topeka Chamber of Com.
Stefan Sawyer	My self
Whitney Samra	City of Topeka / Kicogen / Sec. fox
Richard Klemm	Penn National
Stuart Little	Penn National Gaming
REV KITCHKUMME	PBPN
George Wenzel	Ruffin Co.
Eugene Duvall	Perry & Grommiz
Liz Douglas	Ain Samir
Dina Bunington	Shawnee Co Community Corrections 1015
Kevin Berone	Chisholm Creek Ventures
Tom Burgess	River Falls
Larry Waldrop	River Falls
Doug Lawrence	Kc Gregarious Assn
Patti Biggs	KSC
Natalie Gibson	KSC
Brenda Harmon	KSC
Andy Shaw	Kearney & Associates
Ron Hein	PBPN
Linda Olson	KTEDA
Jeff Bottenberg	Kansas for Economic Growth
Frank Dewley	KTEDA
JEREMY BARCLAY	KDOC

2003 - SB 123 Update ***"Current Status"***

2-years post-implementation update
Data through November 1, 2005

Patricia Biggs
Executive Director
Kansas Sentencing Commission
700 SW Jackson St. Suite # 501
Topeka KS 66603

5 Major Topics

- 1. Sentencing Activity**
 - Court Cases
- 2. Offender Risk of Reoffense**
 - "LSI-R" Level of Services Inventory – Revised
- 3. Substance Abuse Treatment Interventions**
 - Modality Types
 - Termination Types
- 4. Treatment Payments & Treatment Budget**
- 5. Geography of Certified Treatment Providers**

Sentencing Activity

SB 123 Court Cases

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Sentencing Activity: Court Cases

Program Inception through November 1, 2005

- **2653 SB 123-related Sentences (Cases)**
- **2454 Offenders received a SB 123-related Sentence**
 - **Some offenders have multiple SB 123 sentences**
 - **Some concurrently running**
 - **181 offenders show 2 SB 123 cases**
 - **18 offenders show >2 SB 123 cases**

Sentencing Activity: Court Cases

FY 2004

- **505 Cases under SB 123**
 - 63 (12.5%) Pre-Sentence
 - 442 (87.5%) Post-Sentence

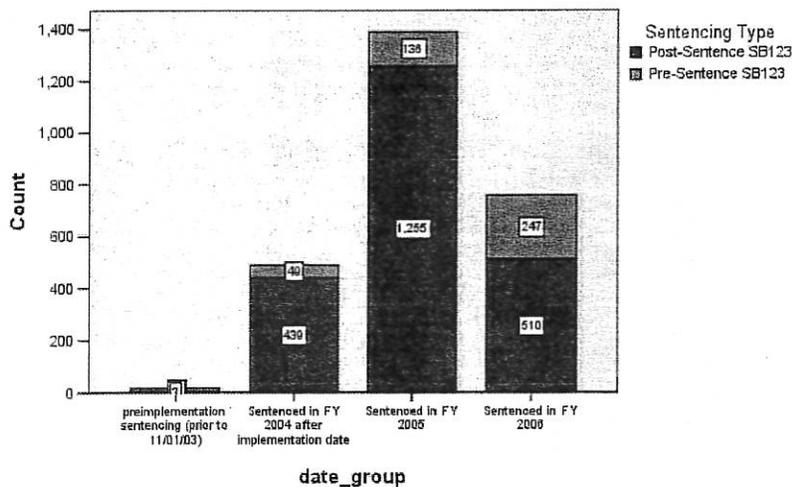
FY 2005

- **1391 Cases under SB 123**
 - 136 (9.8%) Pre-Sentence
 - 1255 (90.2%) Post-Sentence

FY 2006 (through November 1, 2005)

- **757 Cases under SB 123**
 - 247 (32.6%) Pre-Sentence (*presently*)
 - 510 (67.4%) Post-Sentence

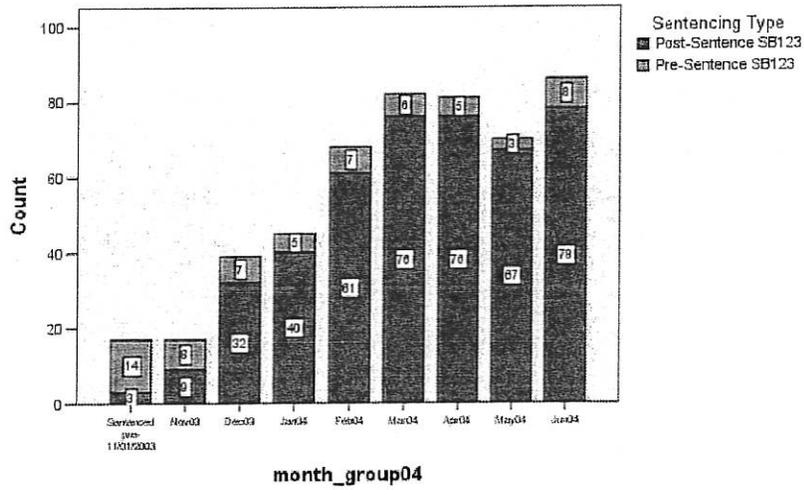
Number SB 123 Cases by Pre/Post Sent. Based on Sentencing Date



source: TOADS case file 11/01/05 pb/ksc

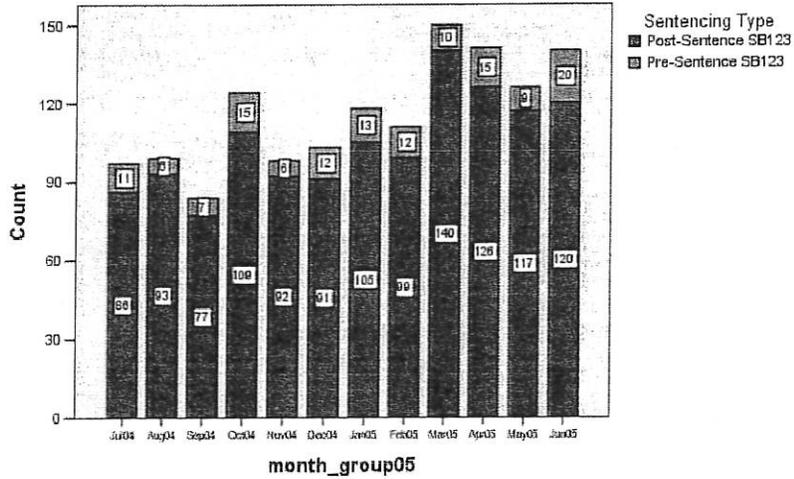
SB 123 Status Update – 2 Years Post-Implementation
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 Patricia Biggs, Executive Director, Kansas Sentencing Commission
 March 7, 2006

Number SB 123 Cases FY 2004 by Pre/Post Sent. Based on Sentencing Date



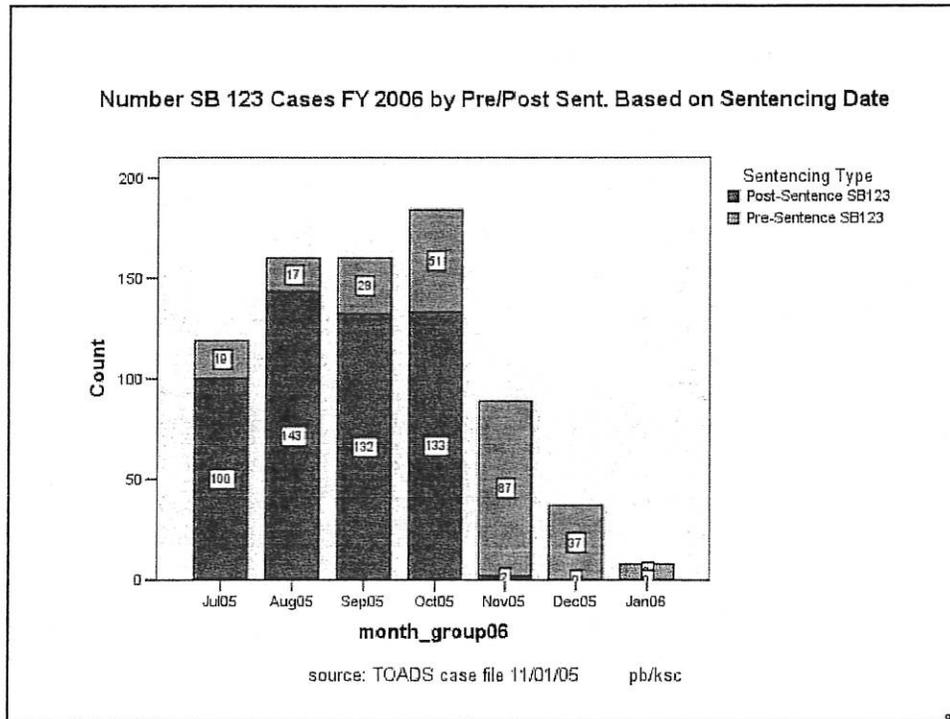
source: TOADS case file 11/01/05 pb/ksc

Number SB 123 Cases FY 2005 by Pre/Post Sent. Based on Sentencing Date



source: TOADS case file 11/01/05 pb/ksc

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Of the 2653 Cases:

- **Open Cases: 2043 (77.0%)**
- **Closed Cases: 610 (23.0%)**

Successful	226	37.0%
Not Sentenced to CC	165	27.0%
Revoked: Condition Violation	157	25.7%
Revoked: New Felony	17	2.8%
Revoked: New Misd.	4	0.7%
<i>Revoked: Subtotal</i>	178	29.2%
Death	6	1.0%
Unsuccessful Close	34	5.6%
Unknown ("blank")	1	0.2%
TOTAL CLOSED	610	100.0%

**Court Case by Community Corrections Agency
 (Appendix I)**

	thru 11/01/05				
			COWLEY COUNTY	74	2.8%
			DOUGLAS COUNTY	14	0.5%
			HARVEY/MCPHERSON COUN	111	4.2%
11TH JUDICIAL DISTRICT	89	3.4%	JOHNSON COUNTY	289	10.9%
12TH JUDICIAL DISTRICT	8	0.3%	JOHNSON COUNTY RESIDE	19	0.7%
13TH JUDICIAL DISTRICT	53	2.0%	LEAVENWORTH COUNTY	26	1.0%
22ND JUDICIAL DISTRICT	39	1.5%	MONTGOMERY COUNTY	51	1.9%
24TH JUDICIAL DISTRICT	35	1.3%	NORTHWEST KANSAS	67	2.5%
25TH JUDICIAL DISTRICT	49	1.8%	RENO COUNTY	134	5.1%
28TH JUDICIAL DISTRICT	166	6.3%	RILEY COUNTY	40	1.5%
2ND JUDICIAL DISTRICT	46	1.7%	SANTA FE TRAIL	74	2.8%
31ST JUDICIAL DISTRICT	74	2.8%	SEDGWICK COUNTY	367	13.8%
4TH JUDICIAL DISTRICT	96	3.6%	SEDGWICK COUNTY ADULT	5	0.2%
5TH JUDICIAL DISTRICT	97	3.7%	SHAWNEE COUNTY	131	4.9%
6TH JUDICIAL DISTRICT	53	2.0%	SOUTH CENTRAL KANSAS	31	1.2%
8TH JUDICIAL DISTRICT	114	4.3%	SUMNER COUNTY	15	0.6%
ATCHISON COUNTY	46	1.7%	TEST ADMIN UNIT	1	0.0%
CENTRAL KANSAS	71	2.7%	UNIFIED GOVERNMENT	128	4.8%
CIMARRON BASIN	40	1.5%			
			TOTAL	2653	100.0%

Court Case - continued

- **By Community Corrections Agency and Fiscal Year of Sentence**
 – *See Appendix II*
- **By Prosecuting County**
 – *See Appendix III*
- **By Prosecuting County and Fiscal Year of Sentencing**
 – *See Appendix IV*

LSI-R Assessments

**Level of Services Inventory – Revised
Supervision Level
Case Management
Risk of Re-offense**

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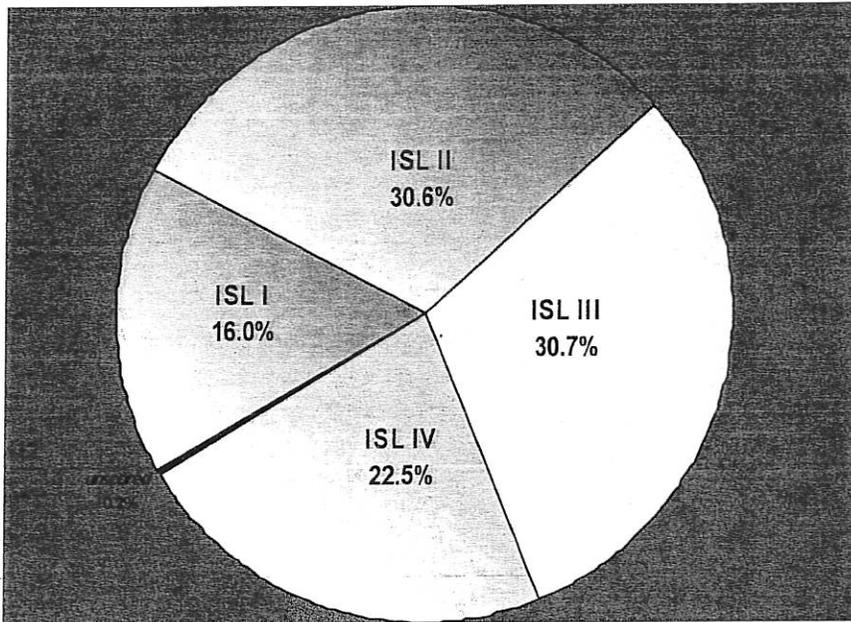
LSI-R Assessment

- **3395 LSI-Rs Completed on SB 123 offenders since program inception through November 1, 2005**
- **Level of Risk → Level of Supervision**
 - **544 (16.0%) at ISL I**
 - **1038 (30.6%) at ISL II**
 - **1042 (30.7%) at ISL III**
 - **764 (22.5%) at ISL IV**
 - **7 (0.2%) "unscored"**

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LSI-R: Level of Supervision – Overall

(through November 1, 2005)



LSI-R Assessment

•3395 LSI-Rs Completed on SB 123 offenders since program inception

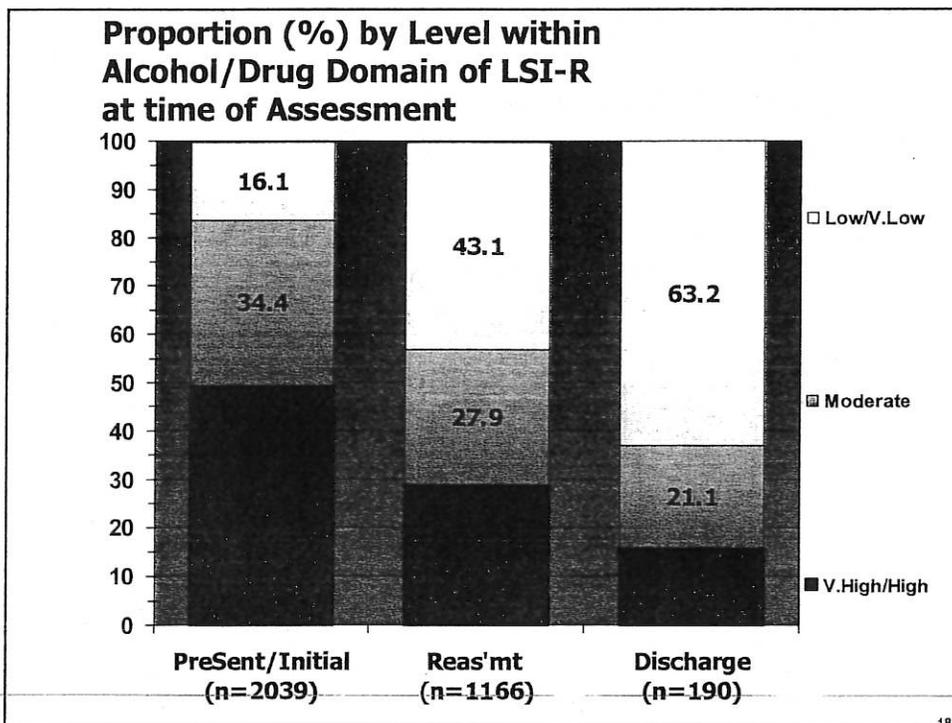
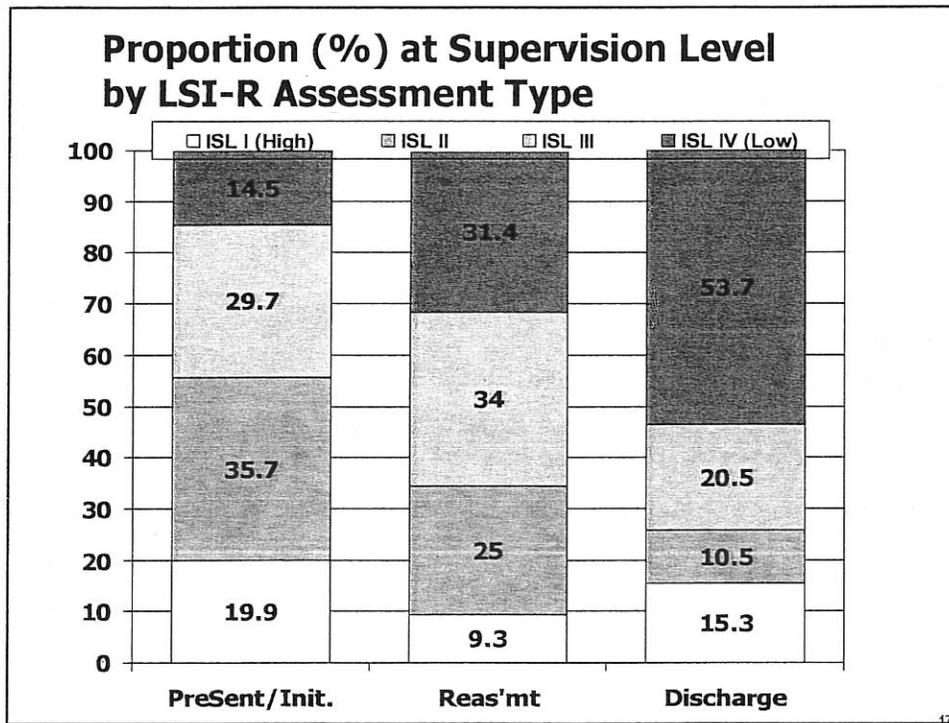
(through Nov. 1, 2005)

•When Assessment Completed

–2039 (60.1%) at Pre-Sent. /Initial

–1166 (34.3%) at Reassessment

– 190 (5.6%) at Discharge



Intervention Activity

Substance Abuse Treatment Interventions

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Intervention Activity *(through Oct. 31, 2005)*

- **8470 Substance Abuse Treatment Interventions logged for SB 123 offenders**

- 353 average per month over the 2 years

- **Includes Pre-Sentence as well as Post-Sentence**

- **2288 Unique offenders**

- 3.7 Average Substance Abuse Interventions per offender

◆ 06/01/2005	OUTPATIENT - INDIVIDUAL	06/01/2005	
◆ 06/01/2005	OUTPATIENT - GROUP	06/01/2005	
◆ 04/29/2005	INTERMEDIATE/RESIDENTIAL	05/03/2005	06/14/2005: CHANGED MODALITY - LESS INTENSIVE
◆ 01/17/2005	INTENSIVE OUTPATIENT	01/18/2005	06/03/2005: CHANGED MODALITY - MORE INTENSIVE
◆ 01/17/2005	OUTPATIENT - INDIVIDUAL	01/18/2005	06/04/2005: CHANGED MODALITY - MORE INTENSIVE
◆ 12/04/2004	ASSESSMENT	01/17/2005	01/17/2005: SUCCESSFUL ASSESSMENT COMPLETION

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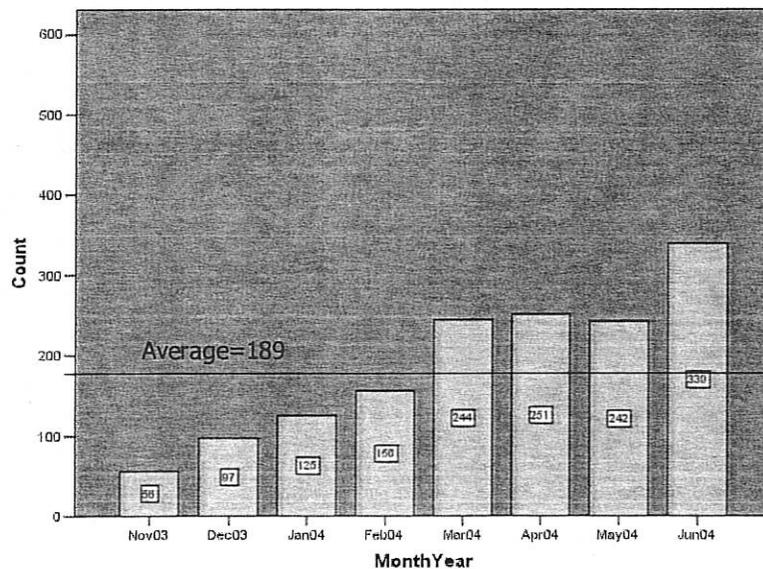
Interventions by Fiscal Year

(based on Date of Referral)

- **FY 2004 (8 months)**
 - 1510 Substance Abuse Interventions
 - 189 average per month
- **FY 2005 (12 months)**
 - 5116 Substance Abuse Interventions
 - 426 average per month
- **FY 2006 (4 mos. July, Aug, Sept, Oct)**
 - 1844 Substance Abuse Interventions
 - 461 average per month

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FY 2004 SB 123 Substance Abuse Interventions by Month (*)

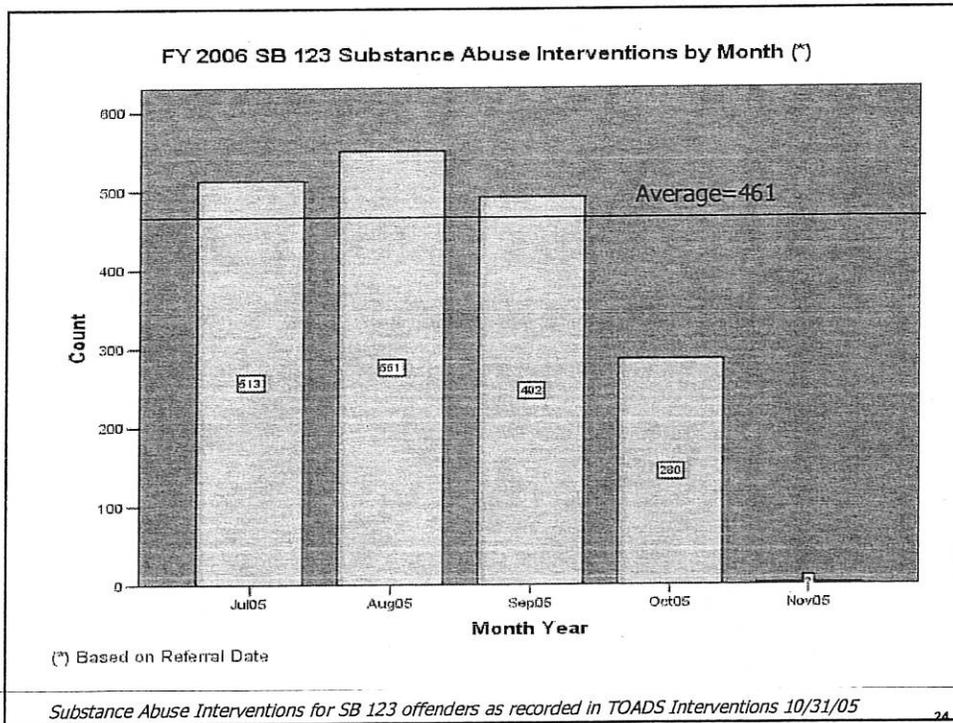
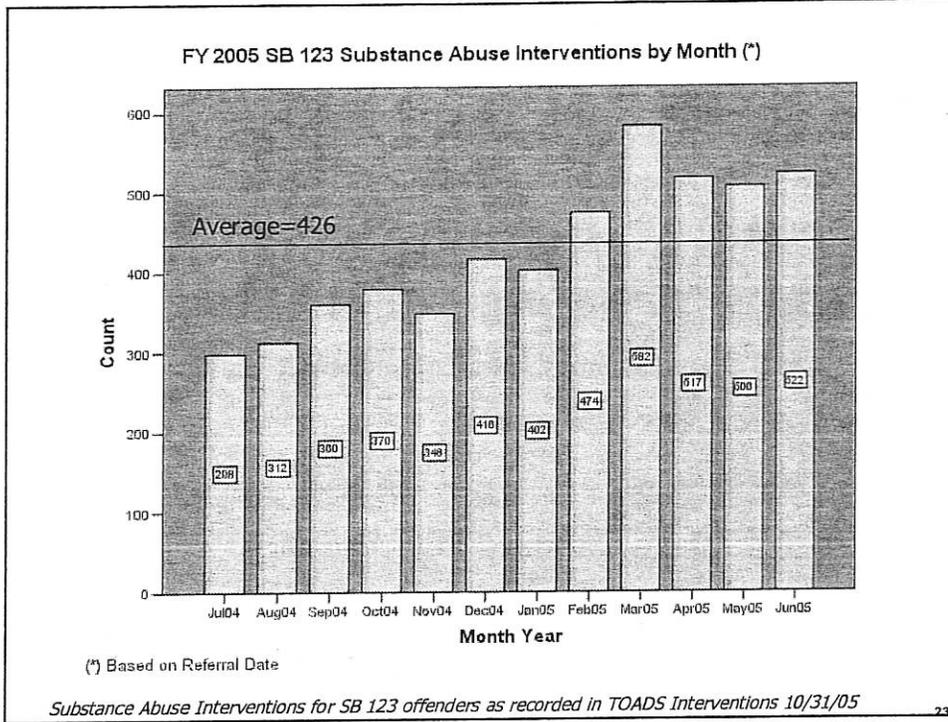


(*) Based on Referral Date

Substance Abuse Interventions for SB 123 offenders as recorded in TOADS Interventions 10/31/05

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SB 123 Status Update – 2 Years Post-Implementation
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Interventions by Modality

SB 123 Substance Abuse Treatment Interventions Two Years From Program Inception November 1, 2003 through October 31, 2005

source: TOADS interventions 10/31/05 pb/ksc mm/kdoc file

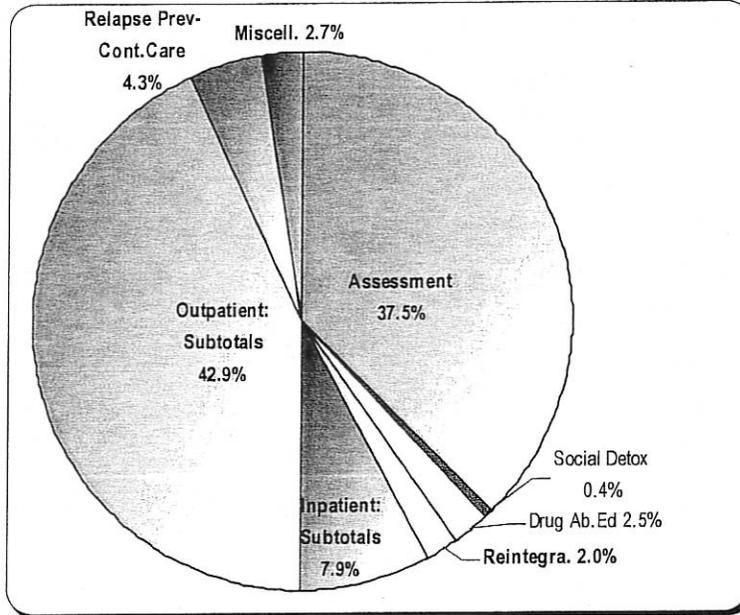
	<u>#</u>	<u>%</u>
ASSESSMENT	2312	27.3%
SOCIAL DETOX	73	0.9%
DRUG ABUSE EDUCATION	92	1.1%
RE-INTEGRATION/HALFWAY HOUSE	304	3.6%
INTERMEDIATE/RESIDENTIAL	793	9.4%
THERAPEUTIC COMMUNITY	19	0.2%
<i>Inpatient: Subtotal</i>	812	9.6%
DAY TREATMENT	30	0.4%
INTENSIVE OUTPATIENT	651	7.7%
OUTPATIENT - FAMILY	107	1.3%
OUTPATIENT - GROUP	1575	18.6%
OUTPATIENT - INDIVIDUAL	1567	18.5%
<i>Outpatient: Subtotal</i>	3930	46.4%
RELAPSE PREVENTION/AFTERCARE	748	8.8%
Miscellaneous (191 of which are Support Group)	199	2.3%
TOTAL	8470	100.0%

SB 123 Substance Abuse Treatment Interventions By Modality within Fiscal Year of Referral Two Years From Program Inception November 1, 2003 through October 31, 2005

source: TOADS Interventions 10/31/05 pb/ksc mm/kdoc

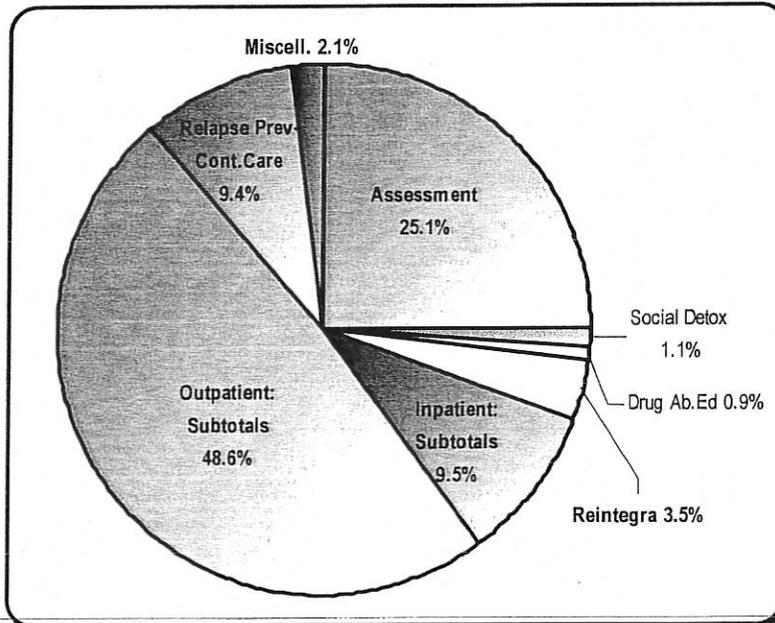
	FY of Referral			TOTAL
	FY 2004	FY 2005	FY 2006	
ASSESSMENT	567	1284	461	2312
SOCIAL DETOX	6	54	13	73
DRUG ABUSE EDUCATION	35	46	11	92
RE-INTEGRATION (*)	30	177	97	304
INTERMEDIATE/RESIDENTIAL	115	472	206	793
THERAPEUTIC COMMUNITY	4	12	3	19
<i>Inpatient: Subtotals</i>	119	484	209	812
DAY TREATMENT (**)	2	19	9	30
INTENSIVE OUTPATIENT	96	419	136	651
OUTPATIENT - FAMILY	8	64	35	107
OUTPATIENT - GROUP	279	1014	282	1575
OUTPATIENT - INDIVIDUAL	263	968	336	1567
<i>Outpatient: Subtotals</i>	648	2484	798	3930
RELAPSE PREVEN./Continuing Care	66	481	201	748
Miscellaneous (>95% are Support Group)	39	106	54	199
TOTAL	1510	5116	1844	8470
% Total Interventions Referrals to date	17.8%	60.4%	21.8%	100.0%

Proportion of Interventions: FY 2004



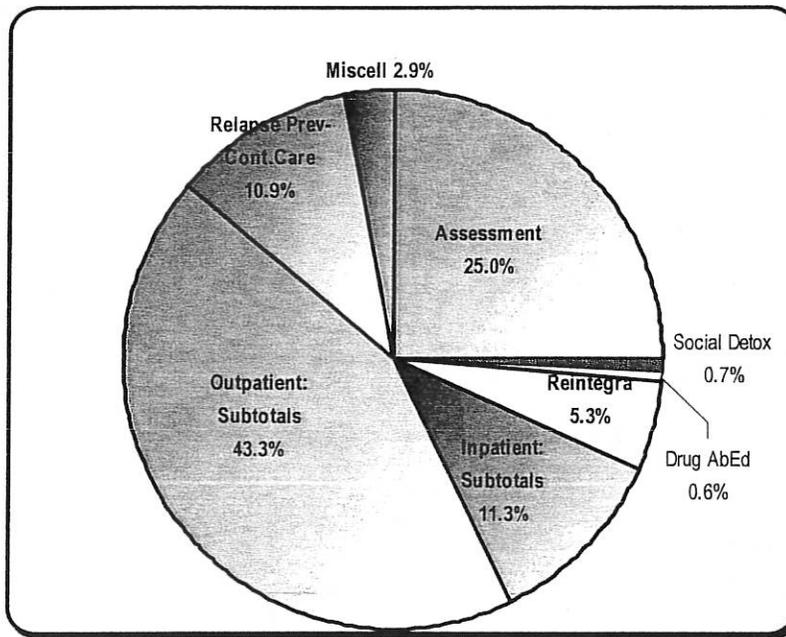
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Proportion of Interventions: FY 2005



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Proportion of Interventions: FY 2006



Intervention Terminations

SB 123 Substance Abuse Treatment Interventions
 By Termination Reason
 Two Years From Program Inception
 November 1, 2003 through October 31, 2005

source: TOADS Interventions 10/31/05 pb/ksc; mm/kdoc file

	#	% of Termin. Reason	% Total Interventions Terminated ("Closed")	% Total Interventions Remaining Open
ADMINISTRATIVE	436	7.2%		
CHANGED MODALITY - LESS INTENSIVE	1129	18.8%		
CHANGED MODALITY - MORE INTENSIVE	632	10.5%		
DEATH	7	0.1%		
ENGAGED AT TIME OF DISCHARGE	1	0.0%		
INTENTIONAL NON-COMPLIANCE	726	12.1%		
MEDICAL	22	0.4%		
REACHED MAXIMUM BENEFITS	1	0.0%		
REFUSED TO COMPLY WITH PROGRAM RULES	14	0.2%		
REFUSED TO ENTER PROGRAM	2	0.0%		
SUCCESSFUL ASSESSMENT COMPLETION	2036	33.9%		
SUCCESSFUL COMPLETION OF SB123 TREATMENT	1008	16.8%		
Subtotal: Terminations	6014		71.0%	
Interventions remaining open 10/31/05	2456			29.0%
TOTAL INTERVENTIONS		8470		

Treatment Payments

Source: KSC Payments Database

Based on:

- **Invoices Received and Processed for Payment through November 1, 2005**
- **Date Service Rendered**

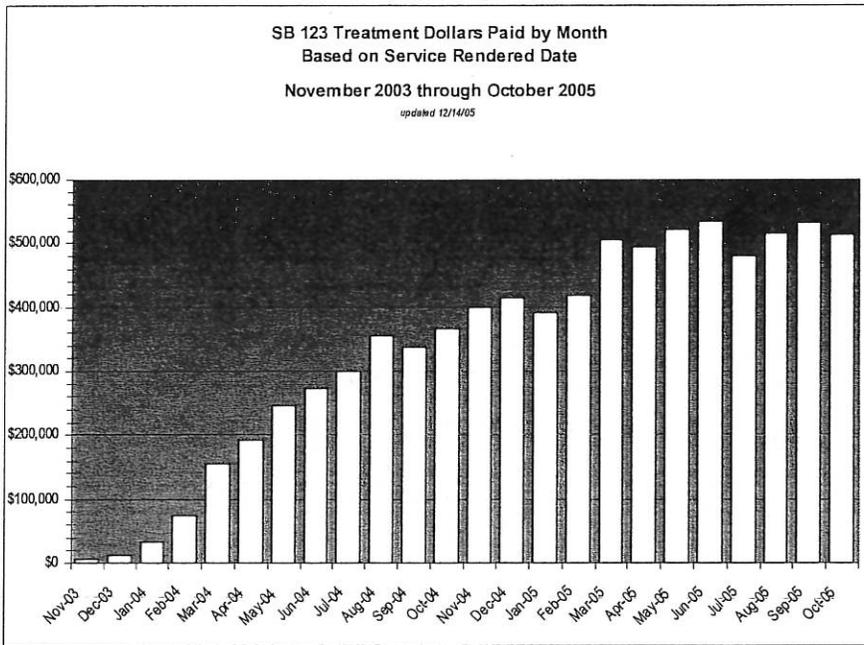
31

SB 123 Treatment Expenditures (Appendix V)

FY 2004		FY 2005		FY 2006	
Mon-Yr	Dollars Paid	Mon-Yr	Dollars Paid	Mon-Yr	Dollars Paid
		Jul-04	\$299,886.75	Jul-05	\$480,777.00
		Aug-04	\$355,835.00	Aug-05	\$514,609.25
		Sep-04	\$337,350.50	Sep-05	\$532,214.25
		Oct-04	\$365,477.00	Oct-05	\$513,138.50
Nov-03	\$5,960.00	Nov-04	\$399,255.50	Nov-05	\$156,608.00
Dec-03	\$13,290.00	Dec-04	\$414,595.00	Dec-05	
Jan-04	\$32,916.75	Jan-05	\$391,808.19	Jan-06	
Feb-04	\$74,774.00	Feb-05	\$418,092.06	Feb-06	
Mar-04	\$155,074.75	Mar-05	\$505,344.20	Mar-06	
Apr-04	\$192,452.00	Apr-05	\$495,288.25	Apr-06	
May-04	\$246,979.25	May-05	\$521,400.00	May-06	
Jun-04	\$274,093.50	Jun-05	\$533,341.00	Jun-06	
Dollar Expenditure based on		\$995,540.25	\$5,037,673.45	\$2,197,347.00	through today (12/14/05)
Service Rendered Date within Each				\$2,040,739.00	through end of Oct (2 years)
FY					
Total Expenditures - based on Services Rendered Date - 2 Year Post-Implementation (i.e., 11/01/03 - 10/31/05):					\$8,073,952.70

SB 123 Status Update – 2 Years Post-Implementation
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Treatment Dollar Expenditures



FY 2005 Treatment Cost Analysis (Appendix VI)

Appendix V

FY 2005 Treatment Service Payments
 Made by Kansas Sentencing Commission
 Based on Services Rendered Date

Source: KSC reports 12/14/05 pb/nc

Modality	Amount Paid	Units paid	Avg Units/ Offender	# of Invoices	# of Offenders	Avg Cost/ Unit	Cost Cap.	Avg Cost/ Offender
Assessment	\$214,130.00	1168.00 asmt	1.01 asmt	1172	1154	\$183.33	\$200.00	\$165.55
Social Detox	\$32,740.00	180.00 days	4.39 days	47	41	\$181.89	\$200.00	\$798.54
Therapeutic Community	\$0.00	666.00 days	133.2 days	24	5	\$0.00	—	\$0.00
Intermediate/Residential	\$2,362,467.00	15218.00 days	37.58 days	885	405	\$155.24	\$160.00	\$5,833.25
Day Treatment	\$40,495.00	623.00 days	41.53 days	35	15	\$65.00	\$120.00	\$2,699.67
Intensive Outpatient	\$946,425.00	9219.00 days	26.8 days	1093	344	\$102.66	\$120.00	\$2,751.24
Outpatient - Individual	\$388,280.00	5401.28 hours	6.37 hours	2584	818	\$71.88	\$80.00	\$457.85
Outpatient - Group	\$637,405.45	26481.75 hours	33.56 hours	3160	789	\$24.07	\$25.00	\$807.88
Outpatient - Family	\$7,372.50	104.50 hours	2.9 hours	42	36	\$70.55	\$75.00	\$204.79
Re-Integration/Halfway House	\$836,006.00	9193.00 days	58.55 days	451	157	\$36.55	\$37.00	\$2,140.17
Relapse Preven/Cont Care	\$71,472.50	2911.50 sessions	8.61 sessions	1038	338	\$24.55	\$25.00	\$211.46
Post Discharge Asmt - 3rd ASI	\$900.00	9.00 asmts	1 asmt	9	9	\$100.00	\$100.00	\$100.00
TOTAL PAID FY 2005	\$5,037,673.45			TOTAL INVOICES PROCESSED	7815			
Less Assessments	\$214,130.00							
Amount Pd for Tx Services	\$4,823,543.45							
Number of Offenders	1621							
Number of Offenders in Tx	1251							
Cost per offender in Tx in FY 2005	\$3,855.75							
Plus avg Asmt (183.33)	\$183.33							
Average '05 Tx & Assmt								
Cost per offender	\$4,039.08							

Note: Average cost is not reflective of 12 months' treatment. Average cost is total expenditure divided by number in treatment (with assessment cost added in).
 If an individual was in treatment for only a portion of the year, only that portion of his/her treatment costs are considered in this report.

**Invoice Submissions
Offender Reimbursements
Insurance Payments**

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Invoices

- **Submitted to KSC**
- **With signatures of Treatment & Supervising Officer, CC Director**
- **Matched against TOADS – as entered by Community Corrections - for Interventions, SB 123 Offender & Case information**
- **Within Cost Caps**
- **All Information Completed**
- **Rejection of Incomplete, Incorrect Invoices**

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Receipts

- **Insurance Proceeds**
 - (thru Oct 31, 2005) \$190,255.46
- **Offender Reimbursements**
 - (thru Oct 31, 2005) \$ 45,084.58
- **Total Receipts through Oct 31, 2005**

\$235,340.04

- **24 months' of Receipts**
 - Average received per month: \$9,805.84
- **2653 SB 123 related cases**
 - Average per SB 123 related sentence: \$88.71
 - Average insurance: \$71.72
 - Average offender reimbursement: \$16.99
- **2207 Post-Sentence SB 123 Cases**
 - Average per SB 123 post-sentence: \$106.64
 - Average insurance: \$86.21
 - Average offender reimbursement: \$20.43

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Geographic Distribution of Certified Treatment Providers

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Number of SB 123 Certified In-Patient Treatment Providers By County As of November 1, 2005

Cherokee	Rawlins	Decatur	Norton	Phillips	Smith	Jewell	Republic	Washington	Marshall	Nemaha	Brown	Doniphan	Leavenworth
Sherman	1												
Wallace	Logan	Gove	Trego	Ellis									
Greene	Wichita												
Hamilton	Keamy	1											
Stanton	Grant	Hasler	Gray	Ford									
Morton	Stevens	Seward	Maize	Clark	Comanche	Barber							

27 agencies are certified to deliver in-patient treatment services.

In-Patient treatment services include: Social Detox, Therapeutic Community, Intermediate Residential, and Re-integration/Halfway House modalities.

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Number of SB 123 Certified Out-Patient Treatment Providers By County As of November 1, 2005

Cherokee	Rawlins	Decatur	1	Phillips	Smith	Jewell	Republic	Washington	Marshall	Nemaha	Brown	1	Doniphan	Leavenworth
Sherman	1													
Wallace	Logan	Gove	Trego	2										
Greene	Wichita													
Hamilton	Keamy	2												
Stanton	Grant	Hasler	Gray	1										
Morton	Stevens	1	Seward	Maize	Clark	Comanche	Barber							

92 agencies are certified to deliver out-patient treatment services.

Out-patient treatment includes: Day Treatment, Intensive outpatient, Individual Outpatient treatment, Group Outpatient treatment, Family Outpatient treatment, and Relapse Prevention treatment modalities.

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Applicability

- **Legislation calls for sentence to be “up to 18 months” in duration**
 - Bills submitted for treatment occurring beyond 18 months from sentencing date will be denied.
- **Legislation calls for a SB 123 sentence to be available to a target population of drug possession offenders (i.e., those whose current conviction is for a violation of K.S.A. 65-4160 or K.S.A. 65-4162).**
 - Offenders sentenced for offenses not inclusive of K.S.A. 65-4160 or K.S.A. 65-4162 cannot have treatment paid out of SB 123 funds.

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Modalities

- **Intermediate/Residential**
 - Under no circumstances will a bill be paid by the Kansas Sentencing Commission for an offender engaged in Intermediate/Residential treatment beyond 90 days.
 - Anticipated guideline for duration in Intermediate/Residential was 7-40 days in length. *It is recommended strongly* that any duration beyond 40 days be well documented for need and appropriateness and that clear communication lines exist between the supervising agency and the treatment provider.
- **Inpatient Treatment services: Therapeutic Community , Intermediate Residential, Reintegraion**
 - shall include a minimum of one group family session per each 30 days of inpatient treatment as an included part of the inpatient treatment.
 - This applies when the family is able, willing, and available to participate in the offender’s recovery process.

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Modalities

- **“Reintegration/Halfway-House” is now simply “Reintegration.”**
 - The motivation for this change is to emphasize that the reintegration focus is a recovery/treatment-based focus – whereas the “halfway house” was more of a correctional intervention. Note that this modality continues to require a minimum of 10 hours of structured clinical activity per week which shall include at a minimum three hours of scheduled, structured individual, group or family outpatient services.
- **“Relapse Prevention/Aftercare” is now called “Relapse Prevention/Continuing Care”.**
- **Day Treatment as an approved SB 123 treatment modality has been removed.**
 - In over 2 years’ experience with the program there were fewer than 30 interventions for this modality.

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Billing Clarifications/Changes

- **Inpatient treatment and Outpatient treatment services cannot be billed for the same day.**
- **For inpatient treatment services (i.e., TC, Intermediate/Residential, Reintegration) the first day of arrival for treatment services may be billed but the last day of inpatient treatment cannot be billed.**
- **The new cost cap for Intensive Outpatient is \$40/hour.**
 - If provider is delivering 15 hours of clinical services per week, the net dollars works out the same (i.e., \$600 per person per week of treatment).

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Invoice Submission for Payment

- **Invoices shall be submitted to Community Corrections agencies *within ten working days* of the end of the previous month.**
- **Once the invoices have been received, the community corrections agency has *five working days* to review the invoice for accuracy and completeness, obtain the signatures and authorize payment by the Sentencing Commission.**
- **Invoices received from treatment providers submitted for treatment later than 45 days from the end of the month for which treatment is being billed *shall be denied* by the ISO and director, clearly identified on the invoice as denied, and sent to the Sentencing Commission as a denied claim.**

Appendix I

**SB 123-related Cases by Community Corrections Agency
Program Inception through November 1, 2005**

	<u>#</u>	<u>%</u>
11TH JUDICIAL DISTRICT	89	3.4%
12TH JUDICIAL DISTRICT	8	0.3%
13TH JUDICIAL DISTRICT	53	2.0%
22ND JUDICIAL DISTRICT	39	1.5%
24TH JUDICIAL DISTRICT	35	1.3%
25TH JUDICIAL DISTRICT	49	1.8%
28TH JUDICIAL DISTRICT	166	6.3%
2ND JUDICIAL DISTRICT	46	1.7%
31ST JUDICIAL DISTRICT	74	2.8%
4TH JUDICIAL DISTRICT	96	3.6%
5TH JUDICIAL DISTRICT	97	3.7%
6TH JUDICIAL DISTRICT	53	2.0%
8TH JUDICIAL DISTRICT	114	4.3%
ATCHISON COUNTY	46	1.7%
CENTRAL KANSAS	71	2.7%
CIMARRON BASIN	40	1.5%
COWLEY COUNTY	74	2.8%
DOUGLAS COUNTY	14	0.5%
HARVEY/MCPHERSON COUN	111	4.2%
JOHNSON COUNTY	289	10.9%
JOHNSON COUNTY RESIDE	19	0.7%
LEAVENWORTH COUNTY	26	1.0%
MONTGOMERY COUNTY	51	1.9%
NORTHWEST KANSAS	67	2.5%
RENO COUNTY	134	5.1%
RILEY COUNTY	40	1.5%
SANTA FE TRAIL	74	2.8%
SEDGWICK COUNTY	367	13.8%
SEDGWICK COUNTY ADULT	5	0.2%
SHAWNEE COUNTY	131	4.9%
SOUTH CENTRAL KANSAS	31	1.2%
SUMNER COUNTY	15	0.6%
TEST ADMIN UNIT	1	0.0%
UNIFIED GOVERNMENT	128	4.8%
TOTAL	2653	100.0%

**SB 123-related Cases by Community Corrections Agency
By Fiscal Year of Sentencing
Program Inception through November 1, 2005**

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>TOTAL</u>
11TH JUDICIAL DISTRIC	19	46	24	89
12TH JUDICIAL DISTRIC	0	3	5	8
13TH JUDICIAL DISTRIC	13	24	16	53
22ND JUDICIAL DISTRIC	13	20	6	39
24TH JUDICIAL DISTRIC	11	21	3	35
25TH JUDICIAL DISTRIC	15	24	10	49
28TH JUDICIAL DISTRIC	29	86	51	166
2ND JUDICIAL DISTRICT	6	22	18	46
31ST JUDICIAL DISTRIC	28	37	9	74
4TH JUDICIAL DISTRICT	31	44	21	96
5TH JUDICIAL DISTRICT	31	50	16	97
6TH JUDICIAL DISTRICT	5	32	16	53
8TH JUDICIAL DISTRICT	32	55	27	114
ATCHISON COUNTY	7	26	13	46
CENTRAL KANSAS	12	35	24	71
CIMARRON BASIN	6	23	11	40
COWLEY COUNTY	11	30	33	74
DOUGLAS COUNTY	3	10	1	14
HARVEY/MCPHERSON COUN	18	71	22	111
JOHNSON COUNTY	44	172	73	289
JOHNSON COUNTY RESIDE	4	10	5	19
LEAVENWORTH COUNTY	2	15	9	26
MONTGOMERY COUNTY	16	22	13	51
NORTHWEST KANSAS	27	21	19	67
RENO COUNTY	25	72	37	134
RILEY COUNTY	3	26	11	40
SANTA FE TRAIL	11	29	34	74
SEDGWICK COUNTY	32	209	126	367
SEDGWICK COUNTY ADULT	2	1	2	5
SHAWNEE COUNTY	14	74	43	131
SOUTH CENTRAL KANSAS	1	15	15	31
SUMNER COUNTY	3	4	8	15
TEST ADMIN UNIT	0	0	1	1
UNIFIED GOVERNMENT	31	62	35	128
TOTAL	505	1391	757	2653

**SB 123-related Cases by Prosecuting County
Program Inception through November 1, 2005**

	<u>#</u>	<u>%</u>
ALLEN	16	0.6%
ANDERSON	13	0.5%
ATCHISON	46	1.7%
BARBER	2	0.1%
BARTON	44	1.7%
BOURBON	27	1.0%
BROWN	23	0.9%
BUTLER	42	1.6%
CHASE	4	0.2%
CHAUTAUQUA	1	0.0%
CHEROKEE	12	0.5%
CLAY	3	0.1%
CLOUD	4	0.2%
COFFEY	12	0.5%
COWLEY	76	2.9%
CRAWFORD	46	1.7%
DICKINSON	17	0.6%
DONIPHAN	2	0.1%
DOUGLAS	13	0.5%
EDWARDS	4	0.2%
ELK	2	0.1%
ELLIS	41	1.5%
ELLSWORTH	5	0.2%
FINNEY	42	1.6%
FORD	63	2.4%
FRANKLIN	46	1.7%
GEARY	75	2.8%
GRAHAM	3	0.1%
GRANT	3	0.1%
GRAY	9	0.3%
GREENWOOD	7	0.3%
HARVEY	90	3.4%
HASKELL	3	0.1%
HODGEMAN	2	0.1%
JACKSON	23	0.9%
JEFFERSON	11	0.4%
JOHNSON	310	11.7%
KEARNY	4	0.2%
KINGMAN	6	0.2%
KIOWA	14	0.5%
LABETTE	31	1.2%
LANE	6	0.2%
LEAVENWORTH	25	0.9%
LINN	4	0.2%
LOGAN	1	0.0%
LYON	91	3.4%
MARION	14	0.5%
MARSHALL	6	0.2%

**SB 123-related Cases by Prosecuting County
Program Inception through November 1, 2005**

	<u>#</u>	<u>%</u>
MCPHERSON	27	1.0%
MEADE	1	0.0%
MIAMI	21	0.8%
MITCHELL	2	0.1%
MONTGOMERY	50	1.9%
MORRIS	3	0.1%
MORTON	2	0.1%
NEMAHA	8	0.3%
NEOSHO	36	1.4%
NESS	4	0.2%
NORTON	3	0.1%
OSAGE	31	1.2%
OSBORNE	3	0.1%
OTTAWA	4	0.2%
PAWNEE	14	0.5%
PHILLIPS	1	0.0%
POTTAWATOMIE	7	0.3%
PRATT	24	0.9%
RENO	134	5.1%
REPUBLIC	1	0.0%
RICE	18	0.7%
RILEY	37	1.4%
ROOKS	5	0.2%
RUSH	4	0.2%
RUSSELL	2	0.1%
SALINE	159	6.0%
SCOTT	4	0.2%
SEDGWICK	367	13.8%
SEWARD	9	0.3%
SHAWNEE	136	5.1%
SHERMAN	5	0.2%
SMITH	1	0.0%
STAFFORD	3	0.1%
STANTON	3	0.1%
STEVENS	7	0.3%
SUMNER	15	0.6%
THOMAS	2	0.1%
TREGO	4	0.2%
WABAUNSEE	2	0.1%
WASHINGTON	1	0.0%
WILSON	19	0.7%
WOODSON	1	0.0%
WYANDOTTE	129	4.9%
Total	2653	100.0%

Appendix IV

**SB 123-related Cases by County of Prosecution
By Fiscal Year of Sentencing
Program Inception through November 1, 2005**

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>TOTAL</u>
ALLEN	5	7	4	16
ANDERSON	6	5	2	13
ATCHISON	7	26	13	46
BARBER	0	1	1	2
BARTON	6	21	17	44
BOURBON	1	19	7	27
BROWN	7	14	2	23
BUTLER	11	20	11	42
CHASE	2	2	0	4
CHAUTAUQUA	0	1	0	1
CHEROKEE	0	6	6	12
CLAY	0	1	2	3
CLOUD	0	1	3	4
COFFEY	1	6	5	12
COWLEY	11	32	33	76
CRAWFORD	12	24	10	46
DICKINSON	6	6	5	17
DONIPHAN	0	2	0	2
DOUGLAS	3	9	1	13
EDWARDS	3	1	0	4
ELK	1	0	1	2
ELLIS	17	11	13	41
ELLSWORTH	2	2	1	5
FINNEY	13	20	9	42
FORD	3	26	34	63
FRANKLIN	14	23	9	46
GEARY	18	37	20	75
GRAHAM	2	1	0	3
GRANT	2	1	0	3
GRAY	1	6	2	9
GREENWOOD	1	2	4	7
HARVEY	11	61	18	90
HASKELL	0	1	2	3
HODGEMAN	0	1	1	2
JACKSON	3	9	11	23
JEFFERSON	1	7	3	11
JOHNSON	52	180	78	310
KEARNY	2	2	0	4
KINGMAN	1	3	2	6
KIOWA	7	6	1	14
LABETTE	7	16	8	31
LANE	4	2	0	6
LEAVENWORTH	2	14	9	25
LINN	0	1	3	4
LOGAN	0	0	1	1

**SB 123-related Cases by County of Prosecution
By Fiscal Year of Sentencing
Program Inception through November 1, 2005**

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>TOTAL</u>
LYON	29	48	14	91
MARION	7	7	0	14
MARSHALL	0	3	3	6
MCPHERSON	8	13	6	27
MEADE	0	1	0	1
MIAMI	3	13	5	21
MITCHELL	0	1	1	2
MONTGOMERY	16	21	13	50
MORRIS	0	2	1	3
MORTON	0	2	0	2
NEMAHA	6	1	1	8
NEOSHO	14	18	4	36
NESS	3	1	0	4
NORTON	1	2	0	3
OSAGE	10	13	8	31
OSBORNE	1	0	2	3
OTTAWA	1	3	0	4
PAWNEE	1	12	1	14
PHILLIPS	0	0	1	1
POTTAWATOMIE	1	4	2	7
PRATT	0	11	13	24
RENO	25	73	36	134
REPUBLIC	0	0	1	1
RICE	3	10	5	18
RILEY	3	25	9	37
ROOKS	4	1	0	5
RUSH	0	4	0	4
RUSSELL	0	2	0	2
SALINE	29	80	50	159
SCOTT	1	2	1	4
SEDGWICK	32	208	127	367
SEWARD	2	5	2	9
SHAWNEE	14	77	45	136
SHERMAN	2	3	0	5
SMITH	0	0	1	1
STAFFORD	0	2	1	3
STANTON	1	1	1	3
STEVENS	0	4	3	7
SUMNER	3	4	8	15
THOMAS	0	0	2	2
TREGO	2	2	0	4
WABAUNSEE	0	2	0	2
WASHINGTON	0	1	0	1
WILSON	8	10	1	19
WOODSON	1	0	0	1
WYANDOTTE	29	63	37	129
TOTAL	505	1391	757	2653

**SB 123 Treatment Monthly Dollar Expenditures
Based on Date Services Rendered
November 2003 - November 2005**

FY 2004		FY 2005		FY 2006	
<u>Mon-Yr</u>	<u>Dollars Paid</u>	<u>Mon-Yr</u>	<u>Dollars Paid</u>	<u>Mon-Yr</u>	<u>Dollars Paid</u>
		Jul-04	\$299,886.75	Jul-05	\$480,777.00
		Aug-04	\$355,835.00	Aug-05	\$514,609.25
		Sep-04	\$337,350.50	Sep-05	\$532,214.25
		Oct-04	\$365,477.00	Oct-05	\$513,138.50
Nov-03	\$5,960.00	Nov-04	\$399,255.50	Nov-05	\$156,608.00
Dec-03	\$13,290.00	Dec-04	\$414,595.00	Dec-05	
Jan-04	\$32,916.75	Jan-05	\$391,808.19	Jan-06	
Feb-04	\$74,774.00	Feb-05	\$418,092.06	Feb-06	
Mar-04	\$155,074.75	Mar-05	\$505,344.20	Mar-06	
Apr-04	\$192,452.00	Apr-05	\$495,288.25	Apr-06	
May-04	\$246,979.25	May-05	\$521,400.00	May-06	
Jun-04	\$274,093.50	Jun-05	\$533,341.00	Jun-06	

Dollar Expenditure based on Service Rendered Date within Each FY	\$995,540.25	\$5,037,673.45	\$2,197,347.00 <i>through 12/14/05</i>
			\$2,040,739.00 <i>through end of Oct (2 years)</i>

Total Expenditures - based on Services Rendered Date - 2 Year Post-Implementation (i.e., 11/01/03 - 10/31/05): **\$8,073,952.70**

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**FY 2005 Treatment Service Payments
Made by Kansas Sentencing Commission
Based on Services Rendered Date**

Source: KSC payments database; 12/14/05 pb/ksc

Modality	Amount Paid	Units paid	Avg Units/ Offender	# of Invoices	# of Offenders	Avg Cost/		Avg Cost/ Offender
						Unit	Cost Cap	
Assessment	\$214,130.00	1168.00 asmts	1.01 asmts	1172	1154	\$183.33	\$200.00	\$185.55
Social Detox	\$32,740.00	180.00 days	4.39 days	47	41	\$181.89	\$200.00	\$798.54
Therapeutic Community	\$0.00	666.00 days	133.2 days	24	5	\$0.00	---	\$0.00
Intermediate/Residential	\$2,362,467.00	15218.00 days	37.58 days	885	405	\$155.24	\$180.00	\$5,833.25
Day Treatment	\$40,495.00	623.00 days	41.53 days	35	15	\$65.00	\$120.00	\$2,699.67
Intensive Outpatient	\$946,425.00	9219.00 days	26.8 days	1093	344	\$102.66	\$120.00	\$2,751.24
Outpatient - Individual	\$388,260.00	5401.28 hours	6.37 hours	2584	848	\$71.88	\$80.00	\$457.85
Outpatient - Group	\$637,405.45	26481.75 hours	33.56 hours	3160	789	\$24.07	\$25.00	\$807.86
Outpatient - Family	\$7,372.50	104.50 hours	2.9 hours	42	36	\$70.55	\$75.00	\$204.79
Re-Integration/Halfway House	\$336,006.00	9193.00 days	58.55 days	451	157	\$36.55	\$37.00	\$2,140.17
Relapse Preven./Cont.Care	\$71,472.50	2911.50 sessions	8.61 sessions	1038	338	\$24.55	\$25.00	\$211.46
Post Discharge As'mt - 3rd ASI	\$900.00	9.00 asmts	1 asmts	9	9	\$100.00	\$100.00	\$100.00
TOTAL PAID FY 2005	\$5,037,673.45			TOTAL INVOICES PROCESSED	7815			
Less Assessments	\$214,130.00							
Amount Pd for Tx Services	\$4,823,543.45							
Number of Offenders	1621							
Number of Offenders in Tx	1251							
Cost per offender in Tx in FY 2005	\$3,855.75							
Plus avg Asmt (183.33)	\$183.33							
Average '05 Tx & Assmt								
Cost per offender	\$4,039.08							

Note: Average cost is not reflective of 12 months' treatment. Average cost is total expenditure divided by number in treatment (with assessment cost added in).
If an individual was in treatment for only a portion of the year, only that portion of his/her treatment costs are considered in this report.

GENERAL, PART I

1. The state of Kansas, through the Kansas Lottery Commission (KLC), will be the owner of all expanded gaming operations.
2. The state of Kansas, through the Kansas Racing and Gaming Commission (KRGCC), will provide oversight to all expanded gaming operations, including:
 - a. adherence to internal controls
 - b. security of facilities
 - c. backgrounding of gaming personnel
 - d. auditing of gaming revenues
 - e. eligibility and licensing of gaming employees
 - f. integrity of gaming
 - g. enforcement of state law and
 - h. transparency of operations.
3. The Destination Casino Review Board (DCRB) will be formed. It shall have seven members, three appointed by the governor, two appointed by the speaker of the House of Representatives and two appointed by the president of the Senate. The governor will designate the chairman. No more than four members can belong to one political party. No board member can be a resident of, property owner in or have an interest in any business domiciled in or conducting a significant portion of its business in a nonexclusive gaming zone. The appointment of each board member must certify that that person has business experience, particularly in the areas of business development and locating new business to maximize revenue.

ORGANIZATION

4. The state would authorize two types of gaming zones:
 - a. Exclusive gaming zones
 - b. Nonexclusive gaming zones
5. Exclusive gaming zones would allow only one venue of expanded gaming: pari-mutuel facilities with slot machines.
6. Nonexclusive gaming zones would allow two venues of expanded gaming: a pari-mutuel facility with slot machines and a destination casino.
7. The state would authorize exclusive gaming zones for:
 - a. Sedgwick County

- b. Ford County, conditioned on the construction of a pari-mutuel facility authorized by the KRGC for the dual purpose of running greyhounds and horses.
8. The state would authorize nonexclusive gaming zones for:
 - a. Wyandotte County
 - b. Crawford and Cherokee counties, jointly
 9. Managers of gaming facilities in exclusive gaming zones would pay to the state of Kansas an “exclusive gaming zone license fee”.
 - a. For Sedgwick County, the fee will be \$10 million.
 - b. For Ford County, the fee will be \$3 million, upon approval by the KRGC for construction of the pari-mutuel facility.
 10. The state of Kansas will distribute the exclusive gaming zone license fee from the Sedgwick County facility as follows:
 - a. \$10 million to Sedgwick County
 11. The state of Kansas will distribute the exclusive gaming zone license fee from the Ford County facility as follows:
 - a. \$3 million to Ford County

DESTINATION CASINOS

12. The KLC, as owner of the destination casinos, will seek proposals from potential casino developers and managers. The process will be competitive and will be designed to maximize a variety of factors, including the quality of the casino facilities, the casino’s attractiveness as a destination, the number of non-Kansas patrons the casino will attract and the state’s share of casino revenues.
13. The KLC will only accept proposals for destination casinos from:
 - a. Any public or private company with three years experience managing Class III gaming who:
 - i. Has access to financial resources sufficient to comply with this legislation and
 - ii. Is current on local and state taxes OR
 - b. a Kansas resident Indian tribe with three years experience managing Class III gaming who:
 - i. Has access to financial resources sufficient to comply with this legislation.
14. The KLC will choose at least one proposal for each nonexclusive gaming zone and authorize its Executive Director to execute a management contract with the proposed manager.

15. The management contract will be consistent with this legislation and the proposal, as approved by the KLC. The contract will establish a process for handling casino revenues and expenses, and management of the day-to-day operation of the casino. It will place ultimate managerial control of the gaming facility with the KLC.
16. The management contract will include the following distribution of gross gaming revenue:
 - a. At least 24 percent for the state of Kansas
 - b. In Wyandotte County: 1.5 percent for city government, if the facility is in a city, and 1.5 percent for county government OR 3 percent for the county government, if the facility is not within a city
 - c. In Cherokee/Crawford counties: 1 percent for city government, if the facility is in a city, and 1 percent for the host county and 1 percent for the other county in the nonexclusive gaming zone OR 2 percent for the host county, if the facility is not within a city, and 1 percent for the other county in the nonexclusive gaming zone.
 - d. 1 percent for the Kansas Charitable Gaming Foundation, to be administered by the KRGC and overseen by the Kansas Charitable Gaming Foundation Board
 - e. 1 percent for the Kansas Problem Gaming fund, to be administered by the KRGC
 - f. A management fee, to be determined by the management contract.
17. The management contract will require that each destination casino represent new investment of at least \$200 million into gaming and ancillary facilities.
18. Upon signing a management contract, prospective casino managers will advance a Destination Casino Manager Privilege Fee of \$35 million. This money is in addition to the \$200 million minimum investment requirement.
19. Process for casino proposal authorization and development:
 - a. KLC will establish a process outside rules and regulations for the form and substance of how proposals for destination casinos will be submitted. Contained in this process will be a date certain by which all proposals must be received by KLC.
 - b. Within 90 days of the date certain established by KLC for the receipt of proposals for destination casinos, KLC will take action on such proposals and forward negotiated management contracts to the DCRB.
 - c. The DCRB will conduct public meetings, take testimony, solicit the advice of experts and thoroughly investigate the merits of each proposal submitted by the KLC, seeking to determine which proposal maximizes revenue, encourages tourism and otherwise best serves the interests of the people of Kansas.
 - d. In the case where the KLC submits multiple negotiated management agreements for a nonexclusive gaming zone, the board will select by

- public vote the best proposal, if any of them, within 60 days of said agreements being forwarded to it for its consideration.
- e. In the case where the KLC submits one negotiated management agreement for a nonexclusive gaming zone, the board will determine whether such a proposal is the best possible agreement. If the board does not reach that determination, it will request that the KLC negotiate a new management agreement(s) until such time that the board determines that the best possible agreement has been reached. Such request must be made within 60 days of said agreement being forwarded to it.
 - f. At the time it forwards its negotiated proposals to the DCRB, the KLC also will send its negotiated proposals to the KRGC for it to initiate background investigations of the proposed casino managers. These background investigations will be completed in accordance with KRGC regulations and policy, with cost paid by the prospective manager.
 - g. Upon receipt of the DCRB's recommendations for each nonexclusive gaming zone, the KRGC will take action to approve the background of the selected casino manager within 10 days of the DCRB's approval. No action may be taken by the KRGC to challenge or change the substance of any contract entered into by the KLC. (If the background of a proposed casino manager is not accepted by the KRGC, the same will be reported to the KLC, who will be required to restart the process.)
 - h. If the KLC, DCRB or the KRGC are working in good faith to complete their responsibilities and need more time to do so, they can request up to a 60-day extension of time from the governor.
20. No county votes for the authorization of destination casinos shall be regarded binding if taken before Jan. 1, 2005. No prejudice will be given to any proposal that comes from a county that has not taken a vote by the time it is submitted to the KLC, DCRB or the KRGC.
21. Upon majority approval by county voters, the KLC and the casino manager may proceed with construction and operation of the facility.
22. Upon certification of voter and all other approvals, the Destination Casino Manager Privilege Fee will be transferred to the State General Fund. Fees collected by other prospective casino managers in this fund will be returned, without interest, to the parties advancing them, and the fund will be extinguished.
23. The use of STAR bonds or other forms of tax-increment financing is prohibited.
24. Destination casinos and their ancillary facilities are not subject to any state or local property tax abatement.
25. A mandamus action is expressly permissible as an appropriate remedy for any government board or organization, including KLC, KRGC and DCRB, that does not address its function or work as provided by statute.

PARI-MUTUEL FACILITIES

26. A state-wide total of 7,000 slot machines for all pari-mutuel facilities will be authorized, with distribution to each facility based on KLC ownership concerns, market demands and negotiation with the pari-mutuel manager.
27. Distribution of the gross gaming revenue from the slot machines at pari-mutuel facilities is:
 - a. The state's share of gross gaming revenue, or net drop, will be graduated during the first five years of a facility's slot machine operation. Net drop will be calculated daily and averaged by the total number of machines. The state's share will be 30 percent on the first \$150 of average daily net drop. The state's share will be 40 percent on all amounts greater than the \$150 daily average. After five years, the state share will be 40 percent on the net drop.
 - b. 7 percent for greyhound breed groups but in no case not more than \$3750 per machine at each pari-mutuel facility. Any money generated above the limit is subject to distribution by the management agreement between KLC and the facility operator.
 - c. 7 percent for horse breed groups but in no case not more than \$3750 per machine at each pari-mutuel facility. Any money generated above the limit is subject to distribution by the management agreement between KLC and the facility operator.
 - d. 1.5 percent for city government, if the facility is in a city
 - e. 1.5 percent for county government OR 3 percent for the county government if the facility is not within a city
 - f. 1 percent for the Kansas Charitable Gaming Foundation, to be administered by the KRGC and overseen by the Kansas Charitable Gaming Foundation Board
 - g. 1 percent for the Kansas Problem Gaming Fund, to be administered by the KRGC
 - h. 1 percent for the Kansas Fair Racing Benefit Fund
 - i. 25 percent for the facility manager
 - j. 15 percent for the gaming expenses, to be jointly administered and monitored by KLC and the facility manager. Any excess revenue within this line item is subject to negotiated disposition by the management contract between KLC and the facility manager.
28. The manager of each pari-mutuel facility will pay the state of Kansas \$15,000 per machine in its facility in accelerated gaming revenues one month before the end of the fiscal year in which the management agreement was entered or in which the facility opens. The state of Kansas' share of gaming revenues earned prior to the date of accelerated gaming revenue payment will be credited against the \$15,000 per machine payment. Any payment advanced by the facility manager for accelerated gaming revenues will be "paid back" in an amount not more than 20

percent of the total value from the state's share of gaming revenues over the following five years. No interest will be paid by the state or any other entity for monies advanced as accelerated gaming revenues.

29. No county votes for the placement of slot machines at a pari-mutuel facility shall be regarded binding if taken before Jan. 1, 2005.
30. Upon majority approval by county voters, the KLC and the facility manager may proceed with construction and/or operation of the facility.
31. The portion of gaming revenue reserved for greyhounds shall be placed in the Live Greyhound Racing Supplement Fund, which will be maintained by the organizational licensees at each track. Funds generated from each facility shall be maintained separately. The KRGC, in consultation and upon the recommendation of the official breed registry group and the recognized greyhound owners groups at each facility, shall disperse these monies. The Kansas Greyhound Breeding Development Fund shall receive 25 percent of these monies.
32. The portion of gaming revenue reserved for the horse breeds shall be placed in the Live Horse Racing Supplement Fund, which will be maintained by the KRGC. The KRGC, in consultation and upon the recommendation of the official registry group, each breed group and the recognized horse owners group at each facility, shall disperse these monies. The Kansas Horse Breeding Development Fund shall receive 25 percent of these funds. The official registering agency shall receive 2 percent of these funds.
33. The portion of gaming revenue reserved for the Horse Fair Racing Benefit Fund shall be dispersed by the KRGC. All relevant statutes will be amended to allow the KRGC to designate one-quarter of all yearly contributions to the Horse Fair Racing Benefit Fund to be used for capital improvement to fair racing facilities, upon proper application to the KRGC. In no case, not less than \$2 million from this fund shall be granted each year for the benefit of Eureka Downs/Greenwood County Fair Association and Anthony Fair Association upon proper, complete and justifiable application before the KRGC. The KRGC may allocate less than \$2 million if warranted by the Eureka and Anthony applications. Any amount less than the \$2 million not granted to Eureka or Anthony will be held in trust by the KRGC for the exclusive future use of Eureka or Anthony. All applicable statutes in the Pari-Mutuel Racing Act shall be amended to allow fair meets to have a maximum 40 days of racing each year.
34. Race date requirements for each pari-mutuel facilities are:
 - a. Wichita Greyhound Park: at least 100 live greyhound races a week
 - b. Camptown: at least 85 live greyhound races a week
 - c. Woodlands: at least 100 live greyhound races a week and at least 60 days of horse racing each year with at least 10 races a day, with a target of seven for thoroughbreds and three for quarter horses

- d. Dodge City: at least 85 live greyhound races a week and at least 45 days of horse racing each year with at least 10 races a day, with a target of seven for thoroughbreds and three for quarter horses

- 35. The age for pari-mutuel wagering will be increased to 21.

GENERAL, PART II

- 36. The portion of gaming revenue reserved for problem gaming shall be deposited into the Kansas Problem Gaming Fund, which will be maintained by the KRGC. The KRGC shall employ at least one person as a problem gaming coordinator to develop programs and promote education about gaming addiction. Monies in this fund shall be used to promote state-wide information and interdiction methods for those with gaming addiction.
- 37. The portion of gaming revenue reserved for charity shall be deposited into the Kansas Charitable Gaming Foundation, which will be maintained by the KRGC.
- 38. There shall be formed the Kansas Charitable Gaming Foundation Board. It shall have seven members, three appointed by the governor, one appointed by the speaker of the House of Representatives, one appointed by the president of the Senate, one appointed by the minority leader of the House of Representatives and one appointed by the minority leader of the Senate. The governor will designate the chairman. No more than four members can belong to one political party. The board, upon application by 501(c)(3) not-for-profit entities within the state of Kansas, shall make distributions from the Charitable Gaming Foundation at least four times a year. Monies in this fund shall be distributed evenly to 501(c)(3) not-for-profit entities in each Kansas congressional district.
- 39. Seventy-five percent of the state's gaming revenue shall be deposited in the state general fund.
- 40. Twenty-five percent of the state's gaming revenue shall be deposited in Kansas Gaming Revenue Property Tax Relief Fund, maintained by the Kansas State Treasurer. Deposits will accumulate from January 1 to December 31. This money will be distributed according to the local ad valorem tax reduction fund formula for cities and counties.
- 41. Ownership costs of KLC shall be financed by appropriations from the state general fund.
- 42. The KRGC shall have the authority to seek reimbursement from gaming operators for the cost of oversight and regulation.

43. Any litigation arising from this legislation will have proper venue in Shawnee County District Court. The Supreme Court of Kansas automatically reviews any appeal.

44. Legislators are prohibited from holding any paid position or otherwise being an employee of any pari-mutuel organizational or facility licensee, or casino facility manager, or person or business contracting with a casino manager to operate an ancillary business at the casino site. Lobbying on behalf of a pari-mutuel organizational or facility licensee, casino manager or any entity involved in a contract with KLC or licensed by KRGC is expressly prohibited. This prohibition extends until five years after the legislator has left office. The prohibition extends to the legislator's children, spouse, parents, siblings, any half- or step-relatives, and any person living in the legislator's home.

Estimated State Revenue from 2006 Gaming Proposal -- 5500 Slots

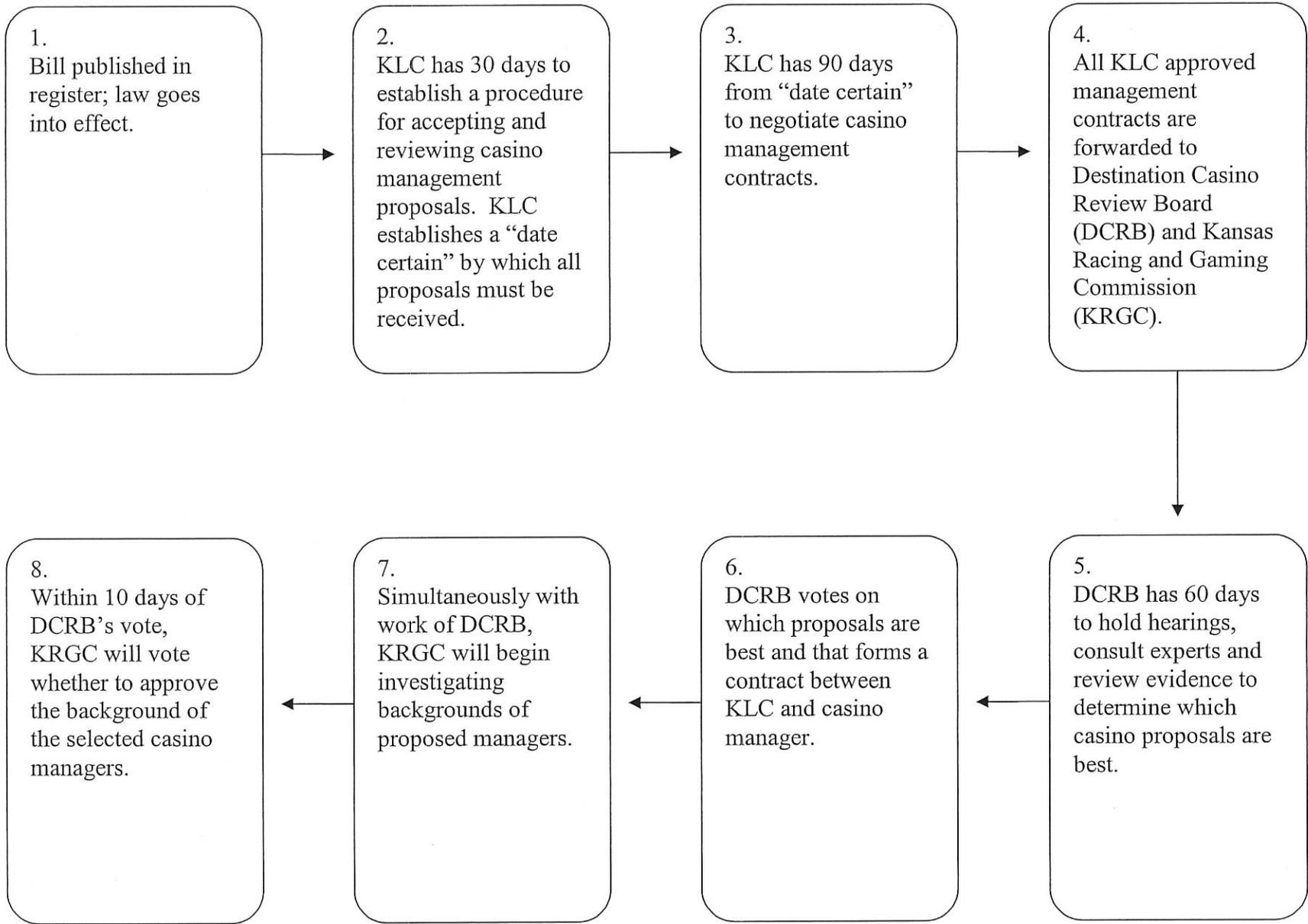
	Woodlands	Camptown	Wichita GP	PM Acc	Total PM	KCK Casino	SEK Casino	DC Fees	Total DC	Total Revenue
FY 2007	23,725,000	11,862,500	29,656,250	17,256,250	82,500,000			70,000,000	70,000,000	152,500,000
FY 2008	47,450,000	23,725,000	59,312,500	-3,451,250	127,036,250				0	141,996,250
FY 2009	30,112,500	13,140,000	59,312,500	-3,451,250	99,113,750	57,600,000	39,600,000		97,200,000	200,159,500
FY 2010	30,112,500	13,140,000	59,312,500	-3,451,250	99,113,750	57,600,000	39,600,000		97,200,000	200,159,500
Cumulative					407,763,750				264,400,000	694,815,250

SGF/PT Split	SGF	PT Relief
2007	114,375,000	38,125,000
2008	106,497,188	35,499,063
2009	150,119,625	50,039,875
2010	150,119,625	50,039,875
Cumulative	521,111,438	173,703,813

2007 PM Assump.	Woodlands	Camptown	Wichita GP	Total PM GGR			
# Machines	2000	1000	2500				
PMPD	200	200	200				
Months operating	6	6	6				
State's % applied to	0.3	0.3	0.3				
State's share above	150	150	150				
GGR	73,000,000	36,500,000	91,250,000	200,750,000			
2008 PM Assumptions							
# Machines	2000	1000	2500				
PMPD	200	200	200				
Months operating	12	12	12				
State's % applied to	0.3	0.3	0.3				
State's share above	150	150	150				
GGR	146,000,000	73,000,000	182,500,000	401,500,000			
2009 PM Assumptions					Casino Assum.	KCK Casino	SEK Casino
# Machines	1500	800	2500				
PMPD	175	150	200		GGR	240,000,000	165,000,000
Months operating	12	12	12		Months operating	12	12
State's % applied to	0.3	0.3	0.3		State's %	0.24	0.24
State's share above	150	150	150				
GGR	95,812,500	43,800,000	182,500,000	322,112,500	GGR+Local PM GGR	335,812,500	208,800,000
2010 PM Assumptions							Total Ks Mkt
# Machines	1500	800	2500				727,112,500
PMPD	175	150	200		GGR	240,000,000	165,000,000
Months operating	12	12	12		Months operating	12	12
State's % applied to	0.3	0.3	0.3		State's %	0.24	0.24
State's share above	150	150	150				
GGR	95,812,500	43,800,000	182,500,000	322,112,500	GGR+Local PM GGR	335,812,500	208,800,000
							Total Ks Mkt
							727,112,500

Local Revenue	Wyandotte	SEK	Sedgwick
FY 2007	2,190,000	1,095,000	2,737,500
FY 2008	4,380,000	2,190,000	5,475,000
FY 2009	10,074,375	6,264,000	5,475,000
FY 2010	10,074,375	6,264,000	5,475,000

Breed Rev.	Woodlands	Camptown	Sedgwick	Total	Amount above cap
FY 2007	10,220,000	5,110,000	12,775,000	28,105,000	
FY 2008	20,440,000	10,220,000	25,550,000	56,210,000	14,960,000
FY 2009	13,413,750	6,132,000	25,550,000	45,095,750	3,845,750
FY 2010	13,413,750	6,132,000	25,550,000	45,095,750	3,845,750



1 powers enumerated herein.

2 Sec. 6. (a) ~~The~~ authority shall have power to acquire by purchase,
3 lease, gift or otherwise all or any part of real property, property, rights in
4 property, for the purpose of planning, development and creation of a
5 riverfront within the metropolitan area as herein defined.

Except as provided by
subsection (c), the

6 (b) ~~The~~ authority shall have power to acquire by purchase, lease, gift
7 or otherwise any property and rights useful for its purposes and to sell,
8 lease, transfer or convey any property or rights when no longer useful or
9 exchange the same for other property or rights which are useful for its
10 purposes.

(c) The authority shall
not have the power to
take property by eminent
domain.

11 Sec. 7. (a) The authority shall have power to purchase equipment
12 such as land, riparian rights, dams and docks, recreational equipment and
13 public improvements, and may execute agreements, leases and equip-
14 ment trust certificates. All money required to be paid by the authority
15 under the provisions of such agreements, leases and equipment trust cer-
16 tificates shall be payable solely from the revenue or income to be derived
17 from the riverfront authority and from grants. Payment for such equip-
18 ment, or rentals therefor, may be made in installments, and the deferred
19 installments may be evidenced by equipment trust certificates payable
20 solely from such revenue or income, and title to such equipment shall
21 not vest in the authority until the equipment trust certificates are paid.

22 (b) The agreement to purchase may direct the vendor to sell and
23 assign the equipment to a bank or trust company, duly authorized to
24 transact business in the state of Kansas, as trustee, for the benefit and
25 security of the equipment trust certificates and may direct the trustee to
26 deliver the equipment to one or more designated officers of the authority
27 and may authorize the trustee simultaneously therewith to execute and
28 deliver a lease of the equipment to the authority.

29 (c) The agreements and leases shall be duly acknowledged before
30 some person authorized by law to take acknowledgments of deeds and in
31 the form required for acknowledgment of deeds and such agreements,
32 leases and equipment trust certificates shall be authorized by vote of the
33 board and shall contain such covenants, conditions and provisions as may
34 be deemed necessary or appropriate to insure the payment of the equip-
35 ment trust certificates from the revenue or income to be derived from
36 the riverfront authority.

37 (d) The covenants, conditions and provisions of the agreements,
38 leases and equipment trust certificates shall not conflict with any of the
39 provisions of any trust agreement securing the payment of bonds or cer-
40 tificates of the authority.

41 (e) An executed copy of each such agreement and lease shall be filed
42 in the office of the city and county clerk of the city and county in which
43 said authority is operating and such filing shall constitute notice to any

1 subsequent judgment creditor or any subsequent purchaser.
 2 Sec. 8. The authority shall have power to apply for and accept grants
 3 from the federal ~~government or any agency or instrumentality thereof~~ to
 4 be used for any of the purposes of the authority and to enter into any
 5 agreement with the federal ~~government~~ in relation to such grants; pro-
 6 vided that such agreement does not conflict with any of the provisions of
 7 any trust agreement securing the payment of bonds or certificates of the
 8 authority.

or state government or any
 local government, or any
 agency thereof, or any other
 public or private entity,

or state government or any
 local government, or any
 agency thereof, or from any
 other public or private entity,

9 Sec. 9. The authority shall have power to invest and reinvest any
 10 funds held in reserve or sinking funds not required for immediate dis-
 11 bursement, in investments authorized by K.S.A. 12-1675, and amend-
 12 ments thereto, in the manner prescribed therein or in bonds or notes of
 13 the United States, bonds of the state of Kansas or bonds of any county,
 14 unified school district or city of the first class in which said authority is
 15 operating a system or in bonds or certificates of the authority at not to
 16 exceed their par value or their call price and to sell these securities when-
 17 ever the funds are needed for disbursement. Such investment or rein-
 18 vestment of any funds shall not be in conflict with any provisions of any
 19 trust agreement securing the payment of bonds or certificates of the
 20 authority.

21 Sec. 10. The authority shall have power to procure and enter into
 22 contracts for any type of insurance and indemnity against loss or damage
 23 to property from any cause, including loss of use and occupancy, against
 24 death or injury of any person, against employers' liability, against any act
 25 of any member, officer or employee of the board or of the authority in
 26 the performance of the duties of his or her office or employment or any
 27 other insurable risk.

28 Sec. 11. (a) The governing and administrative body of the authority
 29 shall be a board consisting of six members, to be known as the riverfront
 30 board. Members of the board shall be residents of Kansas. No member
 31 of the board shall be an elected official.

32 (b) Members shall not be paid a salary, but shall be reimbursed for
 33 actual expenses incurred by them in the performance of their duties.

34 (c) Members of the board shall be appointed as follows: Three shall
 35 be appointed by the mayor with the approval of the council and three
 36 shall be appointed by the commission. Of the first appointees, the council
 37 and mayor shall designate one member to serve a term of one year, one
 38 to serve two years and one to serve a three-year term. The commission
 39 shall designate the terms of its appointees likewise. Should the city and
 40 county consolidate, then the members shall be appointed by the govern-
 41 ing body of the consolidated government as set forth above.

42 (d) Upon the expiration of the term of any member, all successor
 43 members of the board shall be appointed and hold office for terms of