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TESTIMONY BEFORE THE HOUSE ON FEDERAL AND STATE AFFAIRS House Bill 2775 March 12, 2012

Mr. Chairman and members of the Committee, I am Clint Patty, an attorney with the law firm of Frieden, Unrein & Forbes located in Topeka. Our firm represents BHCMC, LLC and Kansas Star Casino, LLC, the Managers under contract with the Kansas Lottery on behalf of the State of Kansas for the Lottery Gaming Facilities in Dodge City and Mulvane, Kansas.

My clients support and understand the intent of House Bill No. 2775. However, from a practical standpoint, the proposed legislation has a number of procedural and substantive issues that will need to be implemented before it can provide the intended benefit of insuring child support obligations are met.

For example, the proposed legislation appears to apply only to pari-mutuel winnings. Additionally, the arbitrary \$1,200 check performed by the Lottery Gaming Facility Manager should be tied to the issuance of a 1099 or similar tax form. While the current limit begins at \$1,200, that may change in the future and the law should reflect the federal requirement rather than an arbitrary dollar amount.

Finally, this legislation places additional requirements on lottery gaming facility managers that do not currently exist within our contracts. While my clients support the intent of this bill, we would request that the managers be provided blanket administrative, civil and criminal immunity in performing this act on behalf of the State of Kansas. This would avoid gaming managers having to not fight lawsuits or other legal matters while acting on the State's behalf.

We respectfully request that the Committee allow my clients and the Kansas Lottery additional time to study this issue and propose agreed to legislation that would address this important concern.

Thank you for allowing me the opportunity to testify. I am pleased to answer any questions.