

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 January 15, 2004 in Room 231-N of the Capitol.

All members were present.

Committee staff present:

Russell Mills, Legislative Research
Dennis Hodgins, Legislative Research
Theresa Kiernan, Revisor of Statutes' Office
John Beverlin, Committee Secretary

Conferees appearing before the committee:

Senator Lana Oleen
Colonel Tod Bunting, Adjutant General
Ed Van Petten, Executive Director, Kansas Lottery

Others attending:

See Attached List.

Chairperson Brungardt called the meeting to order and welcomed Senator Lana Oleen.

Senator Oleen appeared before the committee to discuss current matters concerning the State-Tribal Relations Committee which met four times in 2003.

Senator Oleen explained that the State-Tribal Relations Committee was created during the Graves administration because of Indian issues under litigation. She explained that because Indian Nations are separate from the state of Kansas, issues end up in federal court.

Senator Oleen stated that in the past three years the senate has passed a measure to try and better coordinate the resources and efforts of tribal and state law enforcement. She explained that the measure has gotten stalled in the house but they would be revisiting the issue this session.

Senator Oleen stated that there was concern over a case that had been going on for a considerable amount of time concerning tribal license plates. She explained that the state had lost the case at the district and the federal-district level and was continuing to retain special counsel on the issue. Senator Oleen asked for the committee to take a new look at the issue and a look at the amount of money Kansas is using in continuing to appeal the case. Senator Oleen stated that there was also concern over a fuel tax issue with the Winnebago Tribe of Nebraska. She further explained that the tribe was bringing fuel trucks into Indian reservations in Kansas.

Senator Oleen continued her testimony by stating that the issue of land-in-trust was still a problem. She explained that it was a complicated issue because of the different categories of lands-in-trust. She stated that it is not only a Kansas issue, but an issue for several states and tribes. She explained that the committee found a piece of land placed in trust in Kansas that appeared like it had not gone through the regular process with the Bureau of Indian Affairs. She further explained that the committee had asked for a congressional inquiry as to why the land in the Kansas City area was being deemed land-in-trust for gaming purposes. Senator Oleen stated that Senator Brownback, Congressman Moore, and Congressman Moran have indicated that they will be working with the State-Tribal Relations Committee.

Chairperson Brungardt thanked Senator Oleen and asked the committee for questions.

Senator O' Connor asked for further explanation of the tribal license plate issue.

Senator Oleen explained that the issue involved the Indian Nations to have their own license plates.

Senator O' Connor asked if the state of Kansas opposed the Indian Nations having their own license plates.

Senator Oleen explained the state was involved in litigation over the issue and had lost two decisions. But the person under special contract with the Attorney General's office was retained from the Grave's

CONTINUATION SHEET

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE at 10:30 a.m. on January 15, 2004 in Room 231-N of the Capitol.

administration to continue the case. She further explained that some were concerned about comments made to take the issue all the way to the Supreme Court. She explained that some are wanting information about the amount of money it is costing Kansas to continue to pursue an issue that the state continues to lose.

Chairperson Brungardt again thanked Senator Oleen and then welcomed visitors from the KARL Program, Kansas Agricultural and Rural Leadership Program.

Chairperson Brungardt then welcomed and congratulated Colonel Tod Bunting on his promotion to Adjutant General.

Colonel Bunting introduced Gene Krase and General John Small. Colonel Bunting then provided the committee with a history of the Department of Adjutant General. He stated that the National Guard has a dual mission of protecting life and property on the state side. On the federal side, he explained, the National Guard trains for wartime support of the army and air force. Colonel Bunting stated that there were about 8000 members of the Kansas National Guard. The department has about 335 state employees, 1700 federal employees, assets of about 4 billion dollars and an economic impact on Kansas of about 500 million dollars. The department has two airwings, one in Topeka and one in Wichita, which are deployed around the world on a regular basis. The department is one of the first states to have a civil support team. Colonel Bunting further stated that the Adjutant General is responsible for homeland security and emergency management.

Colonel Bunting provided key issues concerning the Department of Adjutant General. He stated, foremost, the department was concerned for soldiers and families of soldiers who are deployed around the world. He also stated that tuition assistance to attract future soldiers and airmen, armory upgrades, and homeland security were a concern for the department.

Chairperson Brungardt asked the committee for questions. He then asked Colonel Bunting to provide a personal history.

Colonel Bunting explained that he was born in Wichita. He attended high school in Kansas and started college in Washington D.C. He then finished his degree at Washburn University. He stated that he had been in the air refueling wing in Topeka from 1978 to 1984. He then moved to a bomb wing at McConnell and was stationed there for nine years. He later returned to Kansas to work for the Adjutant General from 1993 to 1997. He left the state in 1997, in a national capacity in Colorado and Texas. In 2002, he worked at the National Guard Bureau. He then returned to Kansas in January 2004.

Chairperson Brungardt thanked Colonel Bunting; he then welcomed Ed Van Petten, Executive Director of the Kansas Lottery.

Mr. Van Petten provided an agency overview of the Kansas Lottery. He started by describing the contents of a packet that he had provided to each committee member. The packet included activity sheets ([Attachment 1](#)), EDIF allocation by county sheet ([Attachment 2](#)), funds transfer sheet ([Attachment 3](#)), organizational charts ([Attachment 4](#)), and news releases ([Attachment 5](#)). Mr. Van Petten introduced Jane Elliot, Public Information Officer, Kansas Lottery. He then continued with his overview of the Kansas Lottery ([Attachment 6](#)).

Upon completion of his testimony, Mr. Van Petten answered a question from Dennis Hodgins asked on January 13, concerning the impact of gaming on the Kansas Lottery. He stated that the department compared lottery sales in Wyandotte County of \$56.79 per capita, which has easy access to gaming, to per capita lottery sales in Sedgwick County of \$94.64; and the state wide average of lottery sales of \$77.75 per capita. He stated that the immediate presence of the casinos would have an effect on the lottery. He stated that he imagined a decrease in sales of 25 to 30 percent, such was the case in South Dakota and Rhode Island.

Chairperson Brungardt asked about the net sales and the amount that was then transferred to the state.

Mr. Van Petten answered last fiscal year, net sales were 202 million and transfers to the state were 62.5 million.

CONTINUATION SHEET

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE at 10:30 a.m. on January 15, 2004 in Room 231-N of the Capitol.

Chairperson Brungardt stated that if there is a reduction of 30 percent in the sale of lottery tickets the state would receive about 30 percent of that reduction.

Mr. Van Petten answered that Chairperson Brungardt was correct.

Chairperson Brungardt asked the committee for questions.

Senator O' Connor asked whether the per capita figure given by Mr. Van Petten included adults and children.

Mr. Van Petten answered that the figure included 18 and older. (Mr. Van Petten later changed his statement to say that the per capita figure included adults and children).

Senator O' Connor asked if Mr. Van Petten knew what percentage of over 18 individuals were active players of the lottery.

Mr. Van Petten answered the last demographics in 1996 indicated that about 30 percent of individuals in Kansas consistently play and another 25 percent of individuals play intermittently. He stated that the national average is higher because gaming is more popular on the east and west coasts.

Chairperson Brungardt thanked Mr. Van Petten and welcomed Russell Mills.

Mr. Mills reviewed the Report of the Joint Committee on State-Tribal Relations for the committee (Attachment 7).

Chairperson Brungardt asked whether the tribal law enforcement issue had to do with Kansas roads that continued into the reservation.

Mr. Mills answered law enforcement on roads was one part of the issue. He stated that the tribal law enforcement officers would like to assist the local sheriff and local police department, but there are legal issues that need to be addressed.

Chairperson Brungardt asked if the Senate had passed the issue.

Mr. Mills answered the Senate has passed the bill three times.

Chairperson Brungardt asked if the house added insurance requirements concerning liability.

Mr. Mills answered yes. He further stated that the tribes were happy to secure a certain amount of liability insurance.

Chairperson Brungardt asked if the house took action on the bill.

Mr. Mills answered that the bill left committee for the floor but was referred back to committee.

Chairperson Brungardt asked the committee for questions.

Senator O' Connor asked if there was a reason why the House continued to have problems with the bill.

Mr. Mills answered there was a county sheriff, who is no longer an officer, that opposed the bill. Whether her leaving would have impact on the bill, he said he did not know.

Chairperson Brungardt thanked Mr. Mills. He read the agenda for next week and adjourned.

The meeting was adjourned at 11:35. The next meeting is scheduled for Tuesday, January 20, 2004, at 10:30 a.m. in room 231-N.