



February 17, 2021

Memorandum:

To: House Federal and State Affairs Committee
From: Thomas M. Palace Executive Director Fuel True
Re: Support HB 2199

Mr. Chairman and Members of the House Federal and State Affairs Committee:

My name is Tom Palace. I am the Executive Director of Fuel True formally known as the Petroleum Marketers and Convenience Store Association of Kansas (PMCA of Kansas), a statewide trade association representing over 250 independent Kansas Energy distribution companies and convenience store retailers throughout Kansas.

Mr. Chairman and members of the committee, thank you for the opportunity to provide testimony supporting HB 2199.

Kansas convenience and grocery retailers are the backbone for games hosted by the Kansas Lottery. There are approximately 1100 convenience retailers that sell Lottery games that generate millions of dollars to the State of Kansas.

Selling Lottery tickets is not a huge money maker for convenience retailers but, it does generate more traffic into our stores. We also don't anticipate that the passage of HB 2199 create huge financial gain for our stores but, as stated above we hope it will drive more customers into our stores.

Sports wagering hosted by the Kansas Lottery is a natural fit for current Lottery retailers. Retailers offering lottery tickets are currently contracted with the Kansas Lottery; they have a financial track record with the Kansas Lottery and have the sufficient resources to support the activities required to conduct sports wagering.

At this time, I don't know how many retailers will participate in sports wagering, but I have had several large chains indicate that they have serious interest participating as tier 1 sports wagering.

We understand that retailers, to participate in sports wagering, will be required to be contracted with the Kansas Lottery and adhere to the requirements set forth in Section 2 of the bill. We also understand that to be eligible to participate in sports wagering through the Kansas Lottery that some certification requirements may be required.

Convenience retailers look forward to working with the Kansas Lottery to offer a new Lottery game that allows customers to bet on their favorite sports teams that will also provide new revenue to the State of Kansas.

We ask the committee to support HB 2199.