February 17, 2021

PROPONENT TESTIMONY ON HB2199
HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

Sports book betting became an issue in 2018 when the United States Supreme Court found that all states would be entitled to sports book gaming. Presently, there are approximately 20 states that have legalized sports book betting since that court decision.

The Kansas Lottery Commission has estimated as much as $600 million in bets would be placed annually as it pertains to sports book gaming.

Presently there are two bills in the Legislature that address sports book gaming – SB84 and HB2199.

At this time I would like to give a little history of how we got here today. Senator Bud Estes and I have worked on this since 2019. At that time, a bill was introduced and an informal hearing was held with all interested parties in attendance. The bill was read section by section, and members were allowed to voice their position for or against each section. The casinos objected to every section in the bill. The bill was never worked. It is my opinion that the casinos will not compromise at this point on any issue because the senate bill was written by them and gave them control of the entire aspect of sports book gaming.

In 2020, Senator Estes and I again attempted to introduce a bill and again it was in opposition to the casino bill. Because of the pandemic, the bill was never heard or worked.

The bill that we are hearing today would allow sports book Tier 1 bets to be made at convenience stores or other businesses that hold a license from the Lottery. Tier 1 betting is referred to in the community as straight line betting. It is where a bet is placed on who the winner will be of a sporting event. This bill does not allow any in-game betting. Casinos would be allowed to have both Tier 1 and Tier 2 betting. Tier 2 would allow bets to be placed during the sporting event on, for example, how many touchdowns would be made in a quarter. Also, HB2199 contains a provision allowing Sporting KC to have wagering take place at their facilities during a sporting event.

I believe it is important to note that because HB2199 allows the convenience stores and sports bar to participate in the Tier 1 gaming, revenue will be split across the state of Kansas. This will help
generate tax dollars for all communities and allow fan participation in Colby, Wellington, and other rural areas in Kansas. Fans will no longer have to go to a casino in some other county to participate in sports book gaming. In addition, they will all get one percent of the proceeds.

As many of you know, the best legislation comes out of the legislature when the House has a position on a bill, the Senate has a position on a bill, and then they go to conference and negotiate the differences. Each bill has good and bad points, but, like most good legislation, it comes out of negotiations in conference committee.

In conclusion, I would encourage you to support the House version of the sports betting bill so that at some point in time we can meet with the Senate and negotiate what I believe will be a better bill for the State of Kansas.

John E. Barker
Representative, 70th District