



SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

JOINT TESTIMONY IN SUPPORT OF SENATE BILL 84

A BILL TO STATUTORILY AUTHORIZE SPORTS WAGERING

February 10, 2021

Good Morning Chairman Alley, Vice-Chair Hilderbrand, Ranking Member Foust-Goudeau, and members of the Committee. The Kansas Crossing and Boot Hill Casino lottery gaming facility managers jointly support the concepts offered in the provisions of Senate Bill 84, with the proposed amendments, for statutory authorization of sports betting. SB 84: 1. Is good for Kansans; 2. Makes economic sense; and 3. Provides reasonable terms to compete with illegal black market sports betting that is available throughout the country.

We are pleased to support SB 84, with amendments, to help improve the challenging economic situation and advance the legislative intent of the Kansas Expanded Lottery Act (KELA). We all know that KELA was enacted to create destination resorts, drive tourism into Kansas and create new positive economic activity for the State.

Sports wagering is not a new topic to the legislature. However, enactment of SB 84 adds to the KELA objectives in Kansas and provides another opportunity to drive patrons from out of state into Kansas for sports wagering. The significance of the benefit depends on the timeliness of the other state authorizations of sports wagering.

Kansans are going to benefit from the legislation. The addition of sports betting enables the State-Owned Casinos to expand the retail customer base and expand the market area around Kansas. It not only provides another revenue source, but an amenity within the Casinos to help attract customers to the State of KS. The addition will also reduce the number of Kansas citizens driving across the borders to place wagers on Sporting Events.

Moreover, the present-day unregulated off-shore sports books are not few or insignificant. We have an opportunity for the Lottery to legitimize and fairly operate sports wagering using much of the existing infrastructure established by the Kansas Expanded Lottery Act (KELA). We believe players will prefer the legal application of sports wagering.

The benefits include the indirect economic impact of non-residents coming to Kansas for sports betting, increased tax revenue for the state, use of the proposed on-line platforms while dining at restaurants in Kansas, and increased visitation to the four existing gaming facilities.

SB 84, as amended, offers the right elements to make sports betting successful. Those include having:

- Reasonable State/Manager revenue share rates;
- Limited to existing lottery gaming facility managers;
- Mobile wagering; and
- Most important: Safe and secure sports wagering platforms operated in compliance with all laws.

We believe it is critical that the management of sports betting be limited to existing licensed lottery gaming facility managers. Kansas lottery gaming facility managers have invested hundreds of millions in their brick-and-mortar establishments in this state, are major drivers of job creation and economic activity in our host communities, and a significant generator of tax revenue for state and local governments. We have well-established, rigorous compliance and responsible gaming protocols in place to ensure a safe wagering environment for consumers.

Illegal sports betting is available everywhere and is currently thriving in Kansas. It will be no small challenge to transition Kansans to legal sports betting, and to properly regulate it. SB 84, with the proposed amendments, is a reasonable solution to sports betting in Kansas. SB 84, as amended, provides the means to accomplish properly regulated sports betting strictly through the lottery gaming facilities with a low-risk cost-conscious implementation.

Respectfully submitted

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