

MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Steven R. Brunk at 9:00 a.m. on May 05, 2011, in Room 346-S of the Capitol.

All members were present except:

Representative Kiegerl - excused  
Representative Carlson – excused  
Representative Seiwert - excused

Committee staff present:

Mike Heim, Office of the Revisor of Statutes  
Doug Taylor, Office of the Revisor of Statutes  
Julian Efird, Kansas Legislative Research Department  
Dennis Hodgins, Kansas Legislative Research Department  
Stephen Bainum, Committee Assistant

Conferees appearing before the Committee:

Representative Jane Goodman  
Susan Riley, Kansas Charitable Bingo Association  
Ralph Snyder, American Legion  
Gary Walker, Bingo Manager at Hayden High School  
John Phillips, Cessna Activity Center

Others attending:

See attached list.

Chairman Brunk opened the hearing on **SB 201 Bingo games; prize limits, time, location and conduct of games.**

Representative Jana Goodman testified as a proponent of **SB 201 (Attachment 1)**. She indicated that the bill was strongly supported by the Leavenworth County VFW, the American Legion Halls, as well as several churches. It provides some charitable funds and an opportunity for social contact.

Mike Heim, Office of the Revisor of Statutes gave a briefing on the changes in the bill.

Representative Goico asked if charitable games were separate from gambling. Mike said they were but thought the base bill could be amended.

Representative Gregory asked if the bill prevented advertising. Mike did not think that it did. She wanted to know the extent they went to for record keeping. Mike said that he would defer to others for the answer to that.

Representative Loganbill asked about the predicted increase in tax revenue if this bill is passed and how it is collected. Again Mike deferred to those who would testify later.

Representative Knox commented that this was bringing the Charitable Bingo laws up to date.

Susan Riley, Kansas Charitable Bingo Association testified as a proponent of **SB 201 (Attachment 2)**. She said that there were charitable organizations that depend on revenue from bingo. They serve senior citizens, veterans and youth and provide funding where the counties and state cannot. With the growth of the casinos many of these organizations face closing. This law will also benefit the state by the taxes that are collected. Changing the regulations does not add additional cost to the state.

Representative Patton questioned Susan about the collection of taxes. She indicated that they paid taxes on the paper and other items used in the game.

Representative Gregory asked if they were audited by the Department of Revenue. Susan replied that they were audited once a year.

## CONTINUATION SHEET

The minutes of the House Federal and State Affairs Committee at 9:00 a.m. on May 05, 2011, in Room 346-S of the Capitol.

Ralph Snyder, American Legion testifies as a proponent of **SB 201** (Attachment 3). He presented the testimony of Charles M. Yunker who was unable to attend the hearing. He said that the changes in the bill would provide the flexibility that was needed by Bingo operators in order to remain viable.

Gary Walker, Bingo Manager, Hayden High School testified as a proponent of **SB 201** (Attachment 4). He said that the money they raise from Bingo goes directly into the operating budget of the school. Many things have changed since the Bingo rules were written 30 years ago. Now they have competition with the Indian Casinos, Indian Bingo Halls and Ft. Riley Bingo. We are asking for a little more flexibility in what we charge for playing papers and the monies we pay in prizes.

John Phillips, Cessna Activity Center, testimony as a proponent of **SB 201** was read by Susan Riley (Attachment 5). The revenue from bingo goes to the Cessna Activity Center in Wichita for the benefit of the employees. Surrounding States have much more liberal bingo laws with higher cash payouts. State owned Casino gaming, with their faster machines and their much greater cash awards can put the small Kansas Bingo games out of business.

Representative Rubin said that he supported the bill but that he might want an amendment on the progressive games.

Dave Thomas, Leavenworth American Legion gave Written Only testimony as a proponent of **SB 201** (Attachment 6). His testimony shared some of the impact that the casinos have had on Charitable Bingo.

Patsy Congrove, Department of Revenue, stood to answer questions from the committee about the taxes and licenses for Charitable Bingo. She explained the three different licenses issued by the Department.

Chairman Brunk closed the hearing on **SB 201**.

The meeting was adjourned at 9:57 a.m.