Approved: <u>March 19, 2001</u>

MINUTES OF THE HOUSE FED & STATE COMMITTEE

The meeting was called to order by Chairperson Representative Doug Mays at 1:35 p.m. on January 29, 2001 in Room 313-S of the Capitol.

All members were present except: Representative Broderick Henderson, Excused

Committee staff present: Theresa M. Kiernan, Revisor of Statutes

Russell Mills, Legislative Research Department

Shelia Pearman, Committee Secretary

Conferees appearing before the committee:

Glenn O. Thompson, Stand Up for Kansas Executive Director Steve Kearney, Petroleum Marketers and Convenience Store Association of Kansas Ron Hein, Kansas Soft Drink Association Legislative Counsel

Others attending: See attached list

Without objection bill will be introduced as requested by Tracey Diel regarding Tribal Gaming Oversight Act. [HB 2216]

Without objection bill will be introduced as requested by Representative Faber regarding Producer Protection Act. [HB 2287]

Minutes of January 10, January 16, January 17, and January 18 were approved by the committee.

Hearing was opened on HB 2109

Mr. Thompson opposes the expansion of gambling as noted in this bill. In 1998, a similar bill HB 2999 passed the House but the session ended before the Senate committee acted.

This bill would cover the following as detailed in Attachment #1:

- 1. Closes loopholes in lottery statutes with regard to the prohibition of lottery machines
- 2. Prohibits sales of lottery tickets from vending machines
- 3. Prohibits sales of lottery tickets and lottery advertising on the Internet
- 4. Prohibits sales of lottery tickets using credit cards
- 5. Restores the time between Keno games from four to five minutes
- 6. Requires Kansas Lottery advertising to meet the advertising standards of the North American Association of State and Provincial Lotteries (NASPL)

Mr. Hein and the association does not oppose the general concept or intent of **HB 2109**. (Attachment #2) However, the present definition of lottery machines encompasses soda vending machines which periodically include promotional prizes printed in various methods in their packaging. He requested clarification of language to exclude such products.

Mr. Kearney echoed the broadness of the present language and believes it to be problematic.

Technical amendments were included in the balloon distributed to the committee and the reference to electronic media was made specific to e-mail, instead of radio or television broadcasts. Also the start of KENO games shall not be less than five minutes was readdressed.

Hearing on HB 2109 was closed.

Representative Rehorn presented substitute motion to strike language on page 2 line 13-23. Representative Ruff seconded. Motion failed by 11-7.

Representative Rehorn made motion to delete use of credit cards on page 3. Representative Ruff seconded. Motion failed.

Page 2 of 2

CONTINUATION SHEET House Federal and State Affairs Committee

January 29, 2001

Representative Dahl made motion to conceptually amend line 13 after vending machine or device to be "other than soft-drink dispenser." Representative Mason seconded. Motion failed.

Representative Powell moved that Committee recommend **HB 2109** as amended favorable for passage. Representative Ruff seconded. Motion passed.

Chairman requested consideration of **HB 2038**.

Representative Benlon moved that Committee conceptually amend **HB 2038** by removing sunset provision and undergo a KGOAL Audit every 5 years. Representative Cox seconded.

Representative Burroughs made a substitute motion to change 2012 to 2003. Representative Rehorn seconded. Motion failed on requested division of 8-12.

Representative Hutchins made a substitute motion to amend **HB 2038** to sunset in 2008. Representative Powell seconded. Motion passed on requested division of 11-8.

Representative Hutchins moved that Committee recommend **HB 2038** favorable as amended. Representative Powell seconded. Motion passed.

Adjourned at 2:45. The next schedule meeting is January 30, 2001.