MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Senator Lana Oleen at 11:05 a.m. on February 14, 2000 in Room 245-N of the Capitol.

All members were present except:	Senator Bleeker, excused
	Senator Biggs, excused
Committee staff present:	Mary Galligan, Legislataive Research Department
-	Russell Mills, Legislative Research Department
	Theresa Kiernan, Revisor of Statutes
	Judy Glasgow, Committee Secretary
Conferees appearing before the committee:	
	Tracy Diel, Executive Director State Gaming Agency

Others attending: See Attached Sheet

Chairman Oleen opened hearing on:

SB 492 – State Gaming Agency, relating to financing operations

Chairman Oleen recognized Tracy Diel, Executive Director, State Gaming Agency, a proponent for <u>SB 492.</u> Mr. Diel stated that this bill proposes six amendments to the Tribal Gaming Oversight Act. (Attachment 1). Mr. Diel stated that when the Tribal Gaming Oversight Act was passed by the 1996 Kansas Legislature there was only one native American Indian casino operating in state of Kansas. Mr. Diel described each of the amendments, what would be changed and why they were being requested.

Bob Longino, Acting Director Alcoholic Beverage Control

Amendment one would allow State Gaming Agency employees the opportunity to choose whether they wish to visit a Kansas racetrack and make parimutuel wages since these employees have no connection to any regulatory functions at the parimutuel racetracks. The seconded amendment would permit the State Gaming Agency to perform background investigations on enforcement agents who are employed by the Agency. The third amendment would allow the State Gaming Agency to receive individual and corporate taxpayer information on gaming license applicants from the Kansas Department of Revenue. The purpose of obtaining this information is to evaluate an individual's sources of income and the amount of income against the credit and financial history. The fourth change would allow the State Gaming regulatory agencies in other states. The fifth change would make it a felony to wrongfully disclose confidential information obtained under the provisions of the Tribal Gaming Oversight Act. This request has become necessary to address the problem of wrongful disclosure. The sixth change would bring K.S.A.74-9808 in line with Section 25 of the Compacts. The Tribal-State Compact does not provide for the payment of any interest or penalties by the tribes.

Mr. Diel responded to questions on the amendments from the committee.

Chairman Oleen closed the hearing on SB 492

CONTINUATION SHEET

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE, Room 245-N Statehouse, at 11:05 a.m. on February 14, 2000.

Chairman Oleen recognized Bob Longino, Acting Director, Alcoholic Beverage Control Division, who presented an update on the state bingo operations. (Attachment 2) Mr. Longino gave an update on state revenues generated by bingo and described the department's efforts to improve the enforcement of the bingo laws. Mr. Lingino stated that almost one million dollars was generated from the enforcement tax in 1999. Those funds are split into thirds with equal amounts going to the state general fund, department of revenue enforcement fund and to the cities and counties where bingo games are played. Mr. Lingino provided the projected amount of revenue collected from proposed bingo face taxes for the year 1999. He stated that during the 1999 calendar year the "Bingo Licensee Operational Handbook" was developed to ensure compliance with the bingo laws. Copies of the handbook are available to committee members.

The meeting adjourned at 12:00 noon. The next meeting will be on February 15, 2000 at 11:00 a.m.