



Pittsburg State University

OFFICE OF THE PRESIDENT

February 5, 2017

Chairman Barker and members of the House Federal and State Affairs Committee:

Thank you for the opportunity to provide written testimony to express concern about HB 2173. I appreciate being able to share with the committee our perspectives on this particular piece of legislation.

At Pittsburg State, we believe strongly in partnerships. In fact, we've found it to be the cornerstone of success. To move forward and advance as a community involves all of us pulling in the same direction—the city, the university, and private industry. In Kansas Crossing casino, we at Pittsburg State and the broader Pittsburg community have found a willing and able partner – a partner who has worked hard to establish relationships across the community and has embraced southeast Kansas as home.

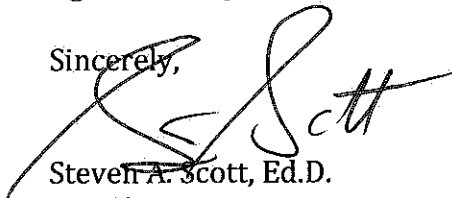
The Kansas Crossing casino and the development related to it have been a boon for our community. Pittsburg has been in desperate need of hotel rooms for years—the Kansas Crossing is providing those. We've also been in need of some upscale dining—again, Kansas Crossing is providing that. Further, Kansas Crossing has partnered with us, Pittsburg State University, and is supporting our programming at the new Bicknell Family Center for the Arts. Clearly, Kansas Crossing's impact in and around Pittsburg has been substantial and they aren't even officially yet open. It concerns us to think this proposed legislation threatens their ability to have a successful venture in Pittsburg.

Further, having read through the attorney general's opinion last year, we're concerned this bill could put the state on the hook for at least \$100 million, if not considerably more money. Obviously, as a public university, this concerns us a great deal. The state general fund has been under serious pressure for some time now. The Regents universities have been cut \$75 million over the past three fiscal years due to governor's allotments. That's money we don't anticipate getting back. If the state were to suddenly owe over \$100 million due to a breach of contract it would put even further pressure on an already fragile budget.

Finally, I'd like to reference partnerships again. For the past several years, as a university we have been focusing on growing the economy. We know for us to grow as a university, our region and state need to grow. We need to do our part in helping that happen. We have had some exciting developments: the aforementioned Bicknell Center, the Robert Plaster Facility, and our new Block22 project with the city in downtown Pittsburg. Partnership investment by donors and private industry has been essential to these projects and will be essential for our continued growth as a region and a state. Breaking a promise to the casino owners made in Senate Bill 66 in 2007 could be reasonably viewed by private business and future prospective investors as a concerning precedent. Such action could make it more challenging to find private investors willing to partner or invest in Kansas.

Again, thank you for the ability to share our concerns about HB 2173.

Sincerely,

A handwritten signature in black ink, appearing to read "S. A. Scott". The signature is written in a cursive, flowing style with a large initial "S".

Steven A. Scott, Ed.D.
President