CITY OF MULVANE

211 NORTH SECOND STREET MULVANE, KANSAS 67110 (316) 777-1143 (316) 777-4081 (Fax)

Feb. 7, 2018

Testimony in Opposition to HB 2545

House Committee on Federal and State Affairs Chairman Barker and members:

On behalf of the City of Mulvane, Kansas I am writing to oppose HB 2545 which would expand slot machine gaming to the sites of formerly licensed race tracks in Sedgwick, Crawford and Wyandotte counties while dramatically reducing the tax rate on those slot machines.

Because Mulvane is in the South Central Gaming Zone which encompasses Sedgwick and Sumner counties, I will focus on this zone in these remarks.

Mulvane is the host city for the Kansas Star Casino which provides about 800 well-paying jobs and generates significant tax revenue for the City in addition to drawing two million visitors annually to our area, and utilizing many local businesses for goods and services. The Kansas Star also donates \$1.5 million annually to students and teachers in Mulvane and Sumner County.

HB 2545 would completely discard the lawful election held in Sedgwick County in August 2007 when voters rejected casinos and the placement of slot machines anywhere in the county. By virtue of that election, Sedgwick County became ineligible for slot machines and casinos until July 1, 2032.

HB 2545 thus violates the casino's contract with the Lottery, subjecting the State to steep financial penalties and protracted litigation that could make the State liable for hundreds of millions of dollars in damages. For more detail please read Attorney General Opinion 2016-6 (April 22, 2016).

In conclusion, HB 2545 has numerous violations of contracts and constitutional protections and we urge a NO vote on this legislation.

Regards,

Kent Hixson - Mulvane City Administrator