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Date: Feb. 17, 2021

To: House Federal and State Affairs

From: Allison Mazzei. President of the Kansas Association of Broadcasters

RE: Written Testimony on HB 2199 – Proponent

Good Afternoon Chairman Barker and Members of the Committee.

I'm Allison Mazzei, president of the Kansas Association of Broadcasters. I represent the 260 broadcast stations that are members of the KAB.

I write today to express support of HB 2199 because it would generate immense advertising revenue for Kansas broadcasters at a time when they need it most.

Like many Kansas businesses, broadcasters were negatively impacted by the economic downturn created by COVID-19. The opportunity to run ads for sports betting would enable Kansas broadcasters to generate money from an entirely new market, substantially increasing revenue.

As an example, Tennessee legalized sports betting last November. The return has been very lucrative (both tax revenue of \$5.4 million and \$312.3 million in betting) for the two months reported. While statistics regarding exact ad spend are still being calculated, according to the Tennessee Broadcast Association President Whit Adams, "Most all of our TV stations and some radio stations are enjoying very big ad purchases in all dayparts for the sports betting."

Other state broadcast association executives echo Tennessee's positive reaction to sports betting ad revenue. West Virginia and Michigan report "an enormous amount of advertising being done." An increase of revenue to this degree would enable Kansas stations to re-hire laid off staff, retain quality employees who may seek more lucrative markets, invest in tech to improve their broadcasts, and much more.

Additionally, Kansas' largest market (Kansas City) borders Missouri, a state that has yet to legalize sports betting. Should Kansas pass sports betting in 2021, advertisers wanting to air spots in the KC market would have to buy from KS licensed stations—keeping revenue in Kansas. Some of Kansas City's largest radio broadcast entities are licensed in Kansas, not Missouri: Entercom, Bott, and Cumulus.

Should sports betting be legalized, the Kansas Association of Broadcasters would work with the KS Lottery to ensure all advertising rules are enforced/followed.

We urge the committee to pass HB 2199 to bring much-needed revenue to Kansas broadcasters.

I appreciate your time in discussing this important matter. Thank you.