

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 18, 2001 in Room 313-S of the Capitol.

All members were present except: Representative Dahl, Excused
Representative Edmonds, Excused
Representative Freeborn, Excused

Committee staff present: Theresa Kiernan, Revisor of Statues
Russell Mills, Legislative Research Department
Shelia Pearman, Committee Secretary

Conferees appearing before the committee: Ed Van Petten, Kansas Lottery's Executive Director

Others attending: See attached list

Without objection two bills were introduced as requested by Representative Cox regarding Retirement of Judges. [HB 2104 & HB 2107]

Without objection the introduction of bill as requested by Representative Hutchins regarding flag etiquette. [HB 2105]

Without objection bill was introduced as requested by Representative Hutchins regarding Public Library dissemination of obscene materials. Based on current ALA policies, if minors cannot legally purchase material this would prevent libraries from disseminating it. [HB 2105]

Without objection bill was introduced as requested by Brigadier General John Small, National Guard Association of Kansas introduced draft of bill reducing language in current law to determine pay and allowances while on state active duty. [HB 2106]

Chairman Mays opened hearings on **HB 2038** after communicating call to Judge Thomas Conklin prior to meeting which clarified gag order does not include legislators and their staff but to the Lottery officials and other parties of the criminal court case. Request by Representative Rehorn for written clarification is currently being prepared by Assistant Attorney General John Campbell to draft order as such. Representative Rehorn stated the different interpretations required written clarification to protect the professionally licensed members of the committee and staff.

Ed Van Petten, Kansas Lottery Executive Director, appeared to address questions remaining from yesterday's testimony (see Attachment #1 of January 17, 2001). This included in-depth details of: the Department of Administration investigation, sales promotions, 1999 State Fair drawing, cash discrepancies at the State Fair, computer security, altered non-winning tickets, inappropriate materials on Lottery computers, holiday receptions and personnel grievances. As new director, Mr. Van Petten assured the committee he will strive to improve and preserve the integrity of the Kansas Lottery should it be renewed as a source of additional state funding. He discussed in detail the following additional procedures implemented to address these issues:

- , Increased frequency of random computer audits performed by Department of Administration, Division of Information Systems and Communications (DISC) and Lottery Information Technology personnel,
- , Increased computer security software and procedures
- , Training sessions regarding proper cash handling techniques
- , Revised personnel manual to be distributed to all current and future employees.

Mr. Van Petten assured the committee since becoming the new Director in October 2000, he will strive to improve and preserve the integrity of the Kansas Lottery should it be renewed as a source of additional state funding.

Adjourned at 3:30. The next schedule meeting is January 22, 2001.