

February 27, 2008

The Honorable Arlen Siegfried, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 161-W
Topeka, Kansas 66612

Dear Representative Siegfried:

SUBJECT: Fiscal Note for HB 2853 by House Committee on Elections and Governmental Organization

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2853 is respectfully submitted to your committee.

HB 2853 would authorize Sedgwick County to hold an election to allow the Kansas Lottery to operate electronic gaming machines at a parimutuel racetrack facility located in Sedgwick County. The bill would require an election if a resolution is passed by the Sedgwick County Commission or if a petition is signed by at least 5.0 percent of the voters of the county who voted for the Office of Secretary of State in the last general election. This bill would be part of the Kansas Expanded Lottery Act and would become law after publication in the *Kansas Register*.

The expenses of conducting the election would be the responsibility of Sedgwick County. The Sedgwick County Elections Commissioner indicates the cost of conducting a special election would be approximately \$124,000. If the ballot question were included in a regularly scheduled election, it would cost an estimated \$2,000 to program voting machines.

If approved by the voters of Sedgwick County, a reopened parimutuel racetrack with electronic gaming machines would require the Racing and Gaming Commission and Kansas Lottery to provide the regulation and oversight of the facility. A reliable estimate of the operational expenditures, revenue projections, and staffing needs cannot be estimated without a

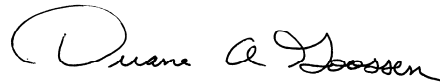
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detailed market study and a reliable estimate as to when the facility would be operational. Any fiscal effect associated with HB 2853 is not reflected in *The FY 2009 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink that reads "Duane A. Goossen". The signature is written in a cursive style with a large, looping initial "D".

Duane A. Goossen
Director of the Budget

cc: Pat Scott, Lottery
Don Cawby, Racing & Gaming Commission
John McElroy, Racing & Gaming Commission
Judy Moler, Kansas Association of Counties
Christy Myers, Secretary of State's Office