

KANSAS RACING AND GAMING COMMISSION

MINUTES – FEBRUARY 14, 2025

CALL TO ORDER

(A.)

Chairman David Moses called the February 14, 2025, meeting to order at 10:00 a.m. The meeting was held at the Eisenhower State Office Building in Topeka, Kansas. Notice of this meeting was given to the public via the KRGC and Public Square websites and the agency's social media pages. Commissioners Brandon Jones, Larry Turnquist, and Mike Fleming were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of IT&C-s Dennis Bachman, Director of Security, Licensing, and Backgrounds Roger Bailey, Director of Gambling DJ Lopez, Director of Casino Operations Rick Wilson, Government Relations Manager Randy Evans, and other staff.

MOTION, APPROVE AGENDA

(B.)

Commissioner Jones (Fleming) moved to approve the agenda. Motion carried 4-0.

MOTION, APPROVE JANUARY 17, 2025 MEETING MINUTES

(C.)

Commissioner Fleming (Turnquist) moved to approve the minutes of the January 17, 2025 meeting. Motion carried 4-0.

MOTION, APPROVE CONSENT AGENDA

(D.)

Chairman Moses asked if the individual who is the subject for the administrative hearing was present. There was no response. Chairman Moses noted that if the individual were to appear before the meeting adjourned, he would entertain a motion to reconsider the commission's decision.

Commissioner Turnquist (Jones) moved to approve the consent agenda (seven items). Motion carried 4-0.

LOTTERY GAMING FACILITY REPORTS/ITEMS; BOOT HILL CASINO & RESORT

(E.1.a.)

Ryan Deutsch, General Manager, reported:

- January 2025 revenue numbers compared to January 2024:
 - Total gaming revenue decreased 11.75%
 - Total slot revenue was down 11.04%
 - Table games revenue was down 17.31%
 - General Manager Deutsch explained that the decrease in revenue is due to two weekend snow storms had a material impact on visitation and that this was coupled with the lowest slot hold percentage in thirteen months.
- January 2025 Sports Wagering revenue numbers
 - Retail Sportsbook Revenue \$27,054.00
 - Down 49.65% from January 2024.
 - Handle was down 40%
 - Hold was down 15%
 - Digital Sportsbook Revenue: \$8,140,063.00
 - Up 49.86% from January 2024
 - Handle was up 14.5%

- Hold was up 18.5%
- Super Bowl
 - The most bet proposition bet was Patrick Mahomes being over 225 yards passing.
 - The most bet first touchdown score was for Kareem Hunt, which did not hit.
 - The most bet Super Bowl MVP was Patrick Mahomes, which did not hit.
 - The most bet proposition market was an anytime TD score.
- Upcoming Events and Promotions:
 - Weekly Kiosk Games
 - Weekly Food and Beverage Specials
 - \$100,000 Big Draw
 - Valentine's Day Specials
 - Toss to Win Hotseats
 - Marolyn Monroe Purse Set
 - VIP Promotions
 - Sportsbook Promotions
- Upcoming Entertainment & Events
 - Clint Black – February 8
 - Final Four Experience – February 17 – March 21
 - Treaty Oak Revival – March 1
 - Harlem Globetrotters – March 4
 - Blippi – April 5
 - Three Dog Night – April 12
 - Los Tigres del Norte – May 11
 - Larry the Cable Guy – June 28
 - Los Tucanes de Tijuana – August 20

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO
AT KANSAS
SPEEDWAY
(E.2.a.)

Lydia Garvey, General Manager, reported:

- January 2025 admissions were down 4.5% compared to January 2024
- January 2025 revenue numbers compared to January 2024:
 - Total gross gaming revenue increased 8.6%
 - Slot revenue increased 10.7%
 - Table games revenue decreased 5.1%
- January 2025 Sports Wagering revenue numbers
 - Retail Sportsbook Taxable Revenue: \$608,848.00
 - Up 1040% from January 2024's loss of -\$64,773.00.
 - Hold was 11.6% compared to negative hold last year. Hold was made up of 48% NFL, 16% NCAA, and 14% on the NBA.
 - Digital Sportsbook Taxable Revenue: \$597,190.00
 - Up 405.7% from January 2024.
 - Hold was 7.4% compared to negative hold last year. Hold was made up of 33% NFL, 20% NCAA, and 17% on the NBA.
 - Super Bowl
 - On digital sportsbook, \$1.2M was wagered with a hold of 49.6%. The most popular bets were Chiefs moneyline and for Saquon Barkley to score a touchdown.
 - On the retail sportsbook, \$2.4M was wagered with a hold of 73.49%. Some interesting wagers were: \$90 on Harrison

Butker to win Super Bowl MVP could have possible won \$22,000, the largest single bet was \$20,000 on the Chiefs moneyline, and the largest future bet was \$72,000 on the Chiefs to win the Super Bowl.

- Recent/Upcoming Events and Promotions:
 - February 7 – Race to Daytona 500
 - February 9 - Big Game Watch & Win
 - February 9 – Big Game Giveaway
 - February 14 – Friends with Benefits
 - February 16 – Daytona 500 Even or Odd Drawing
 - February 21 – Cupid’s Kick Off
 - March 1 - \$30K Lucky Clover Progressive Board
 - March 7 – Leprechaun’s Loot
- On February 13th, the facility became aware of an issue with the natural gas supply to the boilers that heat the casino. The local utility company responded and recommended that the building be evacuated. General Manager Garvey expressed appreciation for the support and assistance given by KRGC Supervising Enforcement Agent Brett Jacobs and Agent Trent Allen in rapidly and safely evacuating all guests and team members. Repairs were made and the facility was able to re-open within three hours of discovering the issue. General Manager Garvey expressed thanks to NASCAR for providing a safe and warm place for team members to wait until the issue was resolved.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
KANSAS CROSSING
CASINO
(E.3.a.)

Jeff McKain, General Manager, reported:

- January 2025 admissions down 6.7% compared to January 2024
- January 2025 revenue numbers compared to January 2024:
 - Coin in was up 4.5%
 - Table games was up 2.6%
 - Net gaming revenue was up 6.1%
- January 2025 Sports Wagering revenue numbers
 - Retail Sportsbook Taxable Revenue: \$11,758.00
 - Up compared to January 2024's loss of -\$11,906
 - Retail wagers were \$730,767 vs \$814,416 in 2024. A decrease of 10%.
 - Digital Sportsbook Taxable Revenue: \$2,712,545.00
 - Up compared to January 2024's revenue of \$969,467.00
 - Digital wagers were up 57% coming in at \$55,394,829.00
 - Top Sports by Handle
 - NFL was 42% of handle
 - College Basketball was 27% of handle
 - College Football was 18% of handle.
 - Top Sports by Hold
 - Hold for NFL was 42%
 - Hold for College Basketball was 31%
 - Hold for Men's Australian Open was 27%
 - Super Bowl

- For the retail sportsbook, handle was slightly up.
- Hold for the retail sportsbook came in at \$84,000 compared to last year's loss of -\$63,000 and similar trends were seen in the digital sportsbooks.
- Events and Promotions:
 - January
 - Kiosk games on Mondays and Tuesdays.
 - *Camp 49* promotions every Wednesday.
 - *Pigskin Prizes* promotion every Friday.
 - Casino gifts on Sundays.
 - February
 - Kiosk games on Mondays and Tuesdays.
 - *Camp 49* promotions every Wednesday.
 - *Sweethearts of Cash* promotion on Fridays.
 - Table Games *Money Vault and Safecracker* promotions on Saturdays
 - Casino gifts on Sundays.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
KANSAS STAR
(E.4.a.)

Alli Kuplen, General Manager, reported:

- January 2025 revenue numbers compared to January 2024:
 - Total gross gaming revenue was down 4.7%
 - Total slot revenue down 5.2%
 - Table games revenue down 2.3%
 - General Manager Kuplen noted that like Boot Hill, the facility was impacted by the snow storms.
- January 2025 Sports Wagering revenue
 - Retail Sportsbook Revenue \$114,000.00.
 - Flat compared to January 2024's revenue of \$113,000.00.
 - Digital Sportsbook Revenue: \$6,020,000.00
 - Up from January 2024's revenue of \$5,040,000.00.
- January 2025 Sports Wagering
 - \$87 million was wagered on FanDuel online. This was up \$8 million from December.
 - The total handle in retail was \$1.31 million for January. This was up \$100k from December.
 - Football once again ruled the betting in retail as the NFL had 59% of the total handle followed by college football with 21%. They were followed by College Basketball at 11%, NBA at 5% NHL at 2% and MMA at 2%.
 - The largest payout in the month of January was \$16,434. This was a \$5,000 parlay with 7 legs.
- Super Bowl
 - Retail sportsbook handle was \$362,000, 89% of money wagered was on the Chiefs. For totals, 69% of money wagered was on the over, which hit.
 - Largest retail sportsbook wager was a \$10,000 single-bet on the Eagles moneyline, which won and paid out \$21,000. The FanDuel

General Manager reported that this year compared to previous years there were more bets on the opposing team.

- Retail sportsbook handle was up \$15,000 and revenue was up \$330,000.
- In the digital sportsbook \$8.7M was wagered in Kansas on the Super Bowl.
- Upcoming Events and Promotions:
 - Double Down | Friday and Saturdays in February | 10am – 11:59pm
 - Jackpot Hotspot Progressive | Thursdays in February | 4pm - 8:00pm
 - Mouse Pad and Mouse Gift Giveaway | Friday, February 7 | 4pm-9pm
 - Wireless Earbuds Gift Giveaway | Friday, February 14 | 4pm-9pm
 - Bluetooth Speaker Gift Giveaway | Friday, February 21 | 4pm-9pm
 - Wireless Soundbar Gift Giveaway | Friday, February 28 | 4pm – 9pm
 - Hot Seats | Saturday, February 1 & 8 | 6pm-9pm
 - 50th Anniversary VIP Sealed Slot Tournament | Saturday, February 15 | 5pm-8pm
 - VIP \$11,000 Drawing | Saturday, February 22 | Host Event | 6pm-7pm
- Upcoming Entertainment & Events:
 - Battle of the Belt Wrestling | Arena | February 6-8
 - VIP Food Hall Event | Star Market Food Hall | Saturday, February 15 | 6pm-8pm
 - Star Market Food Hall open to public | February 18
- Chairman Moses noted that he had seen media coverage of the dining hall changes that seemed very positive, and it would be interesting to hear how the clientele will react. General Manager Kuplen shared that guests are very excited, and the dining hall will be open from 8am – 4am.

HISTORICAL HORSE
RACING FACILITY
LICENSEE
REPORTS/ITEMS;
GOLDEN CIRCLE
(E.5.a.)

Scott Beeler, Golden Circle Representative, reported:

- This last month, Wichita GC Charities had a board meeting at the site with KRGC staff attending. Board members were able to tour the facility and ask questions.
- Construction continues, with no changes to the opening schedule.
- KRGC staff provided a memorandum of understanding regarding the rules and regulations that the facility will be operating under. Facility staff are reviewing the document and anticipate providing their suggested comments and changes by February 28th.
- Commissioner Turnquist asked who was on the board and how many members. Mr. Beeler responded that there are five board members, three men and two women.
- Chairman Moses asked for clarification on the staff that the facility will be providing their suggestions to. Mr. Beeler clarified that it would be KRGC legal staff.
- Chairman Moses shared that he appreciates Mr. Longwell reaching out to him prior to, or as a result of, one of the board meetings to ensure that the charity board was following all the necessary rules and regulations. Chairman Moses noted that he connected Mr. Longwell with Director of Gambling DJ Lopez, who subsequently attended the board's meeting.

COMMISSION ITEMS – OLD BUSINESS (F.)	There was no old business.
COMMISSION ITEMS – NEW BUSINESS; (G.)	There was no new business.
PUBLIC COMMENTS (H.)	There were no public comments.
STAFF REPORTS (I.1. and I.2.)	<p>Garrett Rogers, Paralegal, reported on both the Voluntary Exclusion Program and Sports Wagering Exclusion Program statistics for the months of January 2025.</p> <p>Government Relations Manager Randy Evans reported:</p> <ul style="list-style-type: none"> • SB43: Updates the Personal and Family Protection Act to prohibit the collection of personal information from off-duty law enforcement officers when they enter a building and will also prohibit venues from requiring off-duty officers to wear something that identifies them as a law enforcement officer. The legislation is currently in the Federal and State Affairs Committee and was introduced by the Attorney General's office. <ul style="list-style-type: none"> ○ Chairman Moses asked if this pertains to specific venues or if this applies anywhere. Government Relations Manager Evans confirmed it could be anywhere. Chairman Moses followed-up asking if an off-duty officers who is in a grocery store would have to identify themselves. Government Relations Manager Evans confirmed that was accurate if they were asked to. Government Relations Manager Evans explained that the impetus for this legislation is that there are concert venues in Wichita and Kansas City that are requiring off-duty officer who are carrying a firearm to provide personal information and identify themselves. Chairman Moses asked if the primary goal of the requirement was to identify who was carrying a firearm. Government Relations Manager Evans stated that he did not know. Government Relations Manager Evans confirmed the bill was introduced by committee. ○ Commissioner Turnquist asked if off-duty law enforcement officers would still be required to provide ID or a badge. Government Relations Manager Evans confirmed that they would. Commissioner Turnquist asked who introduced the legislation.

- SB71: Will increase the criminal penalties for buying sexual relations to a level nine felony. Government Relations Manager Evans explained that he included this legislation in his report because it is not uncommon for this kind of activity to occur in and around casinos.
- SB85: Has a mirrored bill in the house. The legislation requires the Department of Children and Families to monitor and provide data of households that win more than \$3,000. So far, the legislation only regards the Kansas Lottery and the lottery gaming facilities, but it could be changed to affect the KRGC. Chairman Moses commented that he guesses the purpose of the legislation is to collect child support from funds that would be otherwise undisclosed. Government Relations Manager Evans noted that it is also for public assistance eligibility determinations. The bill was passed out of committee on the February 13th.
- SB99: Requires the head of each agency to report if their agency has any FTE positions that have been vacant for 180 calendar days and to abolish those positions. Currently, the legislation only applies to General Fund agencies. KRGC is a fee funded agency.
 - Chairman Moses noted that he had read something about a state version of the Department of Government Efficiency (DOGE) and asked if this legislation was a part of that. Government Relations Manager Evans stated that it was not. Chairman Moses asked if the state version of DOGE is in the form of a bill. Government Relations Manager Evans explained that he was not sure if the state version of DOGE was in the form of a bill, he recalled reading it took the form of a resolution.
- SB176/HB252: Amends the Kansas Indoor Clean Air Act. The bill has not had a hearing. Chairman Moses asked if this was the legislation that was recently in the media and was introduced by the committees. Government Relations Manager Evans confirmed that was accurate and that legislators added electronic cigarettes and marijuana to the legislation.
- SB256: Regards remote state employees. The bill has not had a hearing.
- SB260: Amends the Kansas Parimutuel Racing Act. Director of Gambling DJ Lopez and Government Relations Manager Evans met with Senator Blasi and Steve Eck a couple weeks to discuss this. One of the many things it does, is take language out of the proviso and attempts to make it in statute. There is a hearing scheduled for February 17th at 10:30am.
 - Chairman Moses asked what the substantive changes are. Government Relations Manager Evans explained that the bill changes definitions, live racing at Eureka downs, allocation of funds and taxation focusing on the double-tax issue of the HHR facility. Director of Administration, Finance, and Audit Brandi

White submitted a form noting that the legislation does not substantially impact the KRGC budget. Chairman Moses asked if, other than the tax issue, the legislation have anything else to do with the HHR facility. Government Relations Manager Evans stated that he did not believe so.

- Commissioner Turnquist asked if staff have reviewed this legislation since it deals with parimutuel wagering to determine if there are any other items that could be advantageous to try and include. Government Relations Manager Evans said that he did not believe so.
- HB2084: Would allow for gambling losses to be written off for state income taxes, like you can for federal taxes.
 - Chairman Moses asked if this was the same legislation that would stop taxing Social Security Income at the state level. Government Relations Manager Evans confirmed that was a separate bill.
- Commissioner Turnquist asked if the legislation regarding online sports wagering advertisements had come back this session. Government Relations Manager Evans confirmed it has not been introduced.
- Chairman Moses asked if there has been any attempt to work on the forfeiture statutes that were passed in the previous session. Government Relations Manager Evans said they has not.
- Commissioner Fleming asked for an overview of the remainder of session. Government Relations Manager Evans confirmed that the legislature is planning to adjourn quickly this session and that they have spent much of their time on the new budget plan. Next week is turnaround. That week, or the following, Mr. Evans anticipates the Kansas Clean Indoor Air Act legislation will have a hearing.
- Chairman Moses asked if KRGC has introduced any independent bills that have been discussed in the past few months. Government Relations Manager Evans confirmed they have not.

Executive Director Brownlee reported:

- KRGC Supervising Enforcement Agent Harry Spencer at the Kansas Star Casino has resigned affective at the end of this month. He is moving to Oklahoma to get married and will work down there instead. Agent Spencer has been with the agency since the facility opened in Mulvane.
- Next month, Director of Gambling DJ Lopez is going to be a guest speaker at a gaming law conference at Seton Hall University Law School. We are proud and honored to have DJ's expertise recognized at such a prestigious conference event.
- At the December meeting Diane Giardine told the commission about a lifesaving effort that occurred at Boot Hill Casino where two KRGC

agents and two security staff from the casino provided medical attention to a patron who had suffered a heart attack. The two agents, Eric Lalicker and Michael Robbins, and the two Boot Hill employees, Zam Marvilla and John Montoya, will be recognized and presented with a lifesaving award in the near future.

- The illegal gambling investigation team assisted the Wichita Police Department with seizure of illegal gaming devices at three different locations in Wichita. They seized a total of 69 illegal electronic gambling machines. Chairman Moses asked if Executive Director Brownlee could report the locations. Executive Director Brownlee explained that he did not have the names of the locations but could tell the commission that one was a mini-casino in a strip mall, another was a mini-casino that was using a burger and wing joint as a front, and another was actually a tire shop that had a game room in the back. Wichita PD has been very aggressive on illegal gambling.
- The next commission meeting is scheduled for March 14 here in Topeka. Staff are also looking at having the travelling meeting this year in Dodge City. Executive Director Brownlee asked if the commissioners have a preference on the month or time of the travelling meeting. Chairman Moses asked that staff work with General Manager Deutsch to determine the best time to have the travelling. Commissioner Jones noted that May would be problematic for him.

MOTION, EXECUTIVE SESSION;
CONFIDENTIAL BACKGROUND REPORTS
(J.1.)

Commissioner Jones (Fleming) moved that the Commission go into executive session for the purpose of reviewing confidential background reports presented today by the commission's security division. In addition to the commissioners, the confidential background reports portion included the executive director, general counsel, and director of security, licensing, and backgrounds. The total time for the executive session was anticipated to be twenty (20) minutes until 11:05 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried 4-0, and the meeting was adjourned to executive session at 10:45 a.m.

RECONVENE
(J.2.)

The commission meeting returned to open session at 11:05 a.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, and Commissioner Fleming present.

MOTION, EXECUTIVE SESSION; ATTORNEY-CLIENT PRIVILEGE
(K.1)

Commissioner Fleming (Turnquist) moved that the Commission go into executive session for the purpose of consulting with the agency's attorney on attorney-client privileged communications. In addition to the commissioners, the attorney-client privileged communications will include the executive

director, general counsel. After discussion, the total time for the executive session was anticipated to be twenty (20) minutes until 11:26 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried 4-0, and the meeting was adjourned to executive session at 11:06 a.m.

RECONVENE
(K.2.)

The commission meeting returned to open session at 11:26 a.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, and Commissioner Fleming present.

MOTIONS ON LICENSE
APPLICATIONS
(L.)

Commissioner Turnquist (Jones) moved to *deny four* license applications and *approve the remaining 171* license applications from the February 14, 2025, list of background reports referred to the commission for action. The motion carried 4-0.

OTHER BUSINESS
(M.)

General Counsel Judith Taylor noted for the record that the individual who was the subject of the administrative hearing never made an appearance. Chairman Moses agreed that the person did not appear and so the action taken during the consent agenda will be upheld.

There were no other items for discussion or motion.

ADJOURNMENT
(N.)

Chairman Moses stated that the March 14, 2025, commission meeting will begin at 10:00 a.m. for an in-person meeting at the Eisenhower State Office Building in Topeka, Kansas.

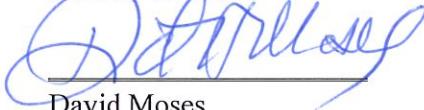
Commissioner Jones (Fleming) moved to adjourn the meeting. Motion passed 4-0. The meeting was adjourned at 11:28 a.m.

SUBMITTED BY:



Larry Turnquist
Secretary

APPROVED BY:



David Moses
Chairman