

**SENATE BILL No. 244**

By Committee on Federal and State Affairs

3-25

1 AN ACT concerning racetrack gaming; amending K.S.A. 2012 Supp. 74-  
2 8747 and repealing the existing section.

3  
4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. K.S.A. 2012 Supp. 74-8747 is hereby amended to read as  
6 follows: 74-8747. ~~(a)~~ Net electronic gaming machine income from a  
7 racetrack gaming facility shall be distributed as follows:

8 ~~(1)~~ *(a)* To the racetrack gaming facility manager, an amount equal to  
9 ~~25%~~ *62%* of net electronic gaming machine income *in the first two years*  
10 *of operation and 60% of the net electronic gaming machine income in all*  
11 *subsequent years;*

12 ~~(2)~~ *(b)* ~~7% of net electronic gaming machine income shall be credited~~  
13 ~~to the live horse racing purse supplement fund established by K.S.A. 2012~~  
14 ~~Supp. 74-8767, and amendments thereto, except that the amount of net~~  
15 ~~electronic gaming machine income credited to the fund during any fiscal~~  
16 ~~year from electronic gaming machines at a racetrack gaming facility shall~~  
17 ~~not exceed an amount equal to the average of \$3,750 per electronic gaming~~  
18 ~~machine at each location and any moneys in excess of such amount shall~~  
19 ~~be distributed between the state and the racetrack gaming facility manager~~  
20 ~~in accordance with the racetrack gaming facility management contract;~~

21 ~~(3)~~ ~~7% of net electronic gaming machine income shall be credited to~~  
22 ~~the live greyhound racing purse supplement fund established by K.S.A.~~  
23 ~~2012 Supp. 74-8767, and amendments thereto, except that the amount of~~  
24 ~~net electronic gaming machine income credited to the fund during any~~  
25 ~~fiscal year from electronic gaming machines at a racetrack gaming facility~~  
26 ~~shall not exceed an amount equal to the average of \$3,750 per electronic~~  
27 ~~gaming machine at each location and any moneys in excess of such~~  
28 ~~amount shall be distributed between the state and the racetrack gaming~~  
29 ~~facility manager in accordance with the racetrack gaming facility~~  
30 ~~management contract~~ *(1)* *During the first and second years the racetrack*  
31 *gaming facility is in operation, 10% of net electronic gaming machine*  
32 *income derived from electronic gaming machines located at racetrack*  
33 *gaming facilities licensed to conduct horse races shall be credited to the*  
34 *live horse racing purse supplement fund established by K.S.A. 2012 Supp.*  
35 *74-8767, and amendments thereto; and*

36 *(2)* *during the third year the racetrack gaming facility is in operation*

1 *and each year thereafter, 12% of net electronic gaming machine income*  
2 *derived from electronic gaming machines located at racetrack gaming*  
3 *facilities licensed to conduct horse races shall be credited to the live horse*  
4 *racing purse supplement fund established by K.S.A. 2012 Supp. 74-8767,*  
5 *and amendments thereto;*

6 ~~(4)-(A)~~ (c) (1) if the racetrack gaming facility is located in the  
7 northeast Kansas gaming zone and is not located within a city, include a  
8 provision for payment of an amount equal to 3% of the ~~racetrack gaming~~  
9 ~~facility revenues~~ *electronic gaming machine income* to the county in which  
10 the racetrack gaming facility is located; or ~~(B)~~ (2) if the racetrack gaming  
11 facility is located in the northeast Kansas gaming zone and is located  
12 within a city, include provision for payment of an amount equal to 1.5% of  
13 the ~~racetrack gaming facility revenues~~ *electronic gaming machine income*  
14 to the city in which the racetrack gaming facility is located and an amount  
15 equal to 1.5% of such revenues to the county in which such facility is  
16 located;

17 ~~(5)-(A)~~ (d) (1) if the racetrack gaming facility is located in the  
18 southeast or south central Kansas gaming zone and is not located within a  
19 city, include a provision for payment of an amount equal to 2% of the  
20 ~~racetrack gaming facility revenues~~ *electronic gaming machine income* to  
21 the county in which the racetrack gaming facility is located and an amount  
22 equal to 1% of such revenues to the other county in such zone; or ~~(B)~~ (2) if  
23 the racetrack gaming facility is located in the southeast or south central  
24 Kansas gaming zone and is located within a city, provide for payment of  
25 an amount equal to 1% of the ~~racetrack gaming facility revenues~~  
26 *electronic gaming machine income* to the city in which the racetrack  
27 gaming facility is located, an amount equal to 1% of such revenues to the  
28 county in which such facility is located and an amount equal to 1% of such  
29 revenues to the other county in such zone;

30 ~~(6)~~ (e) 2% of net electronic gaming machine income shall be credited  
31 to the problem gambling and addictions grant fund established by K.S.A.  
32 2012 Supp. 79-4805, and amendments thereto;

33 ~~(7)~~ (f) 1% of net electronic gaming machine income shall be credited  
34 to the Kansas horse fair racing benefit fund established by K.S.A. 74-8838,  
35 and amendments thereto; *and*

36 ~~(8)~~ (g) 40% ~~22%~~ of net electronic gaming machine income shall be  
37 credited to the expanded lottery act revenues fund; ~~and~~

38 ~~(9)~~ 15% of ~~electronic gaming machine income shall be used for~~  
39 ~~gaming expenses, subject to agreement between the Kansas lottery and the~~  
40 ~~racetrack gaming facility manager.~~

41 ~~(b)~~ A ~~racetrack gaming facility management contract may include~~  
42 ~~provisions for a parimutuel licensee or any other entity to pay the~~  
43 ~~parimutuel licensee's expenses related to electronic gaming machines, as~~

1 ~~the executive director deems appropriate, subject to the requirements of~~  
2 ~~subsection (a)(9).~~

3       Sec. 2. K.S.A. 2012 Supp. 74-8747 is hereby repealed.

4       Sec. 3. This act shall take effect and be in force from and after its  
5 publication in the statute book.