

**HOUSE BILL No. 2740**

By Committee on Federal and State Affairs

3-16

1 AN ACT concerning gaming; relating to the Kansas expanded lottery act;  
2 Kansas lottery and Kansas racing and gaming commission, rules and  
3 regulations; authorizing sports wagering; creating the sports wagering  
4 receipts fund, the white collar crime fund, the privilege fee repayment  
5 fund and the facility manager licensee repayment fund; authorizing  
6 pari-mutuel licensees to operate historical horse race machines;  
7 amending K.S.A. 46-2301, 74-8702, 74-8710, 74-8711, 74-8716, 74-  
8 8718, 74-8733, 74-8734, 74-8751, 74-8752, 74-8757, 74-8760, 74-  
9 8761, 74-8802, 74-8804, 74-8814, 74-8823, 74-8836 and 79-4806 and  
10 K.S.A. 2021 Supp. 21-6403 and 21-6507 and repealing the existing  
11 sections.  
12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 New Section 1. (a) Sports wagering shall only be conducted in this  
15 state in accordance with the provisions of the Kansas lottery act and the  
16 Kansas expanded lottery act.

17 (b) The Kansas lottery may offer sports wagering through one or  
18 more lottery gaming facility managers that have contracted with the  
19 Kansas lottery in accordance with the Kansas expanded lottery act to  
20 operate and manage sports wagering on behalf of the Kansas lottery,  
21 including, but not limited to, sports wagering over the internet through  
22 websites and mobile device applications, through an interactive sports  
23 wagering platform approved by the Kansas lottery and the use of any such  
24 platform at the primary facility of a professional sports team or other  
25 marketing entity pursuant to a marketing agreement entered into between  
26 the lottery gaming facility manager and the professional sports team or  
27 other marketing entity in accordance with section 4, and amendments  
28 thereto.

29 New Sec. 2. (a) Each lottery gaming facility manager shall be limited  
30 to three interactive sports wagering platforms that shall be approved by the  
31 executive director. Any interactive sports wagering platform approved by  
32 the executive director shall serve the public convenience and promote  
33 sports wagering in accordance with marketing plans developed by the  
34 Kansas lottery to offer sports wagers. Any lottery gaming facility manager  
35 may enter into a contract on behalf of the Kansas lottery with an approved  
36 interactive sports wagering platform. Any such contract shall be approved

Proposed Amendments to  
House Bill No. 2740  
House Committee on Federal and State Affairs  
Defining "Gray Machine"  
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1 non-lottery facility game products and services not owned and operated by  
 2 the state ~~which that~~ may be included in the overall development associated  
 3 with the lottery gaming facility. Such operations may include, but are not  
 4 limited to, restaurants, hotels, motels, museums or entertainment facilities.

5 (b) "Commission" means the Kansas lottery commission.  
 6 (c) (1) "Electronic gaming machine" means any electronic,  
 7 electromechanical, video or computerized device, contrivance or machine  
 8 authorized by the Kansas lottery ~~which that~~, upon insertion of cash,  
 9 tokens, electronic cards or any consideration, is available to play, operate  
 10 or simulate the play of a game authorized by the Kansas lottery pursuant to  
 11 the Kansas expanded lottery act, including, but not limited to, bingo,  
 12 poker, blackjack, keno and slot machines, and ~~which that~~ may deliver or  
 13 entitle the player operating the machine to receive cash, tokens,  
 14 merchandise or credits that may be redeemed for cash. Electronic gaming  
 15 machines may use bill validators and may be single-position reel-type,  
 16 single or multi-game video and single-position multi-game video  
 17 electronic game, including, but not limited to, poker, blackjack and slot  
 18 machines. Electronic gaming machines shall be directly linked to a central  
 19 computer at a location determined by the executive director for purposes  
 20 of security, monitoring and auditing.

21 (2) "Electronic gaming machine" *does not mean an historical horse*  
 22 *race machine, as defined in K.S.A. 74-8802, and amendments thereto.*

23 (d) "Executive director" means the executive director of the Kansas  
 24 lottery.

25 (e) "Gaming equipment" means any electric, electronic, computerized  
 26 or electromechanical machine, mechanism, supply or device or any other  
 27 equipment, ~~which that~~ is: (1) Unique to the Kansas lottery and used  
 28 pursuant to the Kansas lottery act; ~~and~~ (2) integral to the operation of an  
 29 electronic gaming machine or lottery facility game; and (3) affects the  
 30 results of an electronic gaming machine or lottery facility game by  
 31 determining win or loss.

32 (f) "Gaming zone" means: (1) The northeast Kansas gaming zone,  
 33 which consists of Wyandotte county; (2) the southeast Kansas gaming  
 34 zone, which consists of Crawford and Cherokee counties; (3) the south  
 35 central Kansas gaming zone, which consists of Sedgwick and Sumner  
 36 counties; and (4) the southwest Kansas gaming zone, which consists of  
 37 Ford county.

38 (g) (1) "Gray machine" means any mechanical, electro-mechanical or  
 39 electronic device, ~~capable of being used for gambling, that is: (1) Not~~  
 40 ~~authorized by the Kansas lottery; (2) not linked to a lottery central~~  
 41 ~~computer system; (3) available to the public for play; or (4) capable of~~  
 42 ~~simulating a game played on an electronic gaming machine or any similar~~  
 43 ~~gambling game authorized pursuant to the Kansas expanded lottery act~~

with hardware, software or any combination of hardware and software:

(A) That may be played, operated or used by any person within the state of Kansas; and

(B) that affords such person, through the application of chance, skill or any combination of chance and skill, any opportunity to win, obtain or otherwise receive, based on gameplay, operation or use, any prize or payout in the form of money or evidence of gameplay, operation or use that may be redeemed or exchanged for money.

(2) "Gray machine" does not include:

(A) Any device that may be lawfully played, operated or used pursuant to:

(i) The Kansas lottery act, K.S.A. 74-8701 et seq., and amendments thereto;

(ii) the Kansas expanded lottery act, K.S.A. 74-8733 et seq., and amendments thereto; or

(iii) the Kansas parimutuel racing act, K.S.A. 74-8801 et seq., and amendments thereto; and

(B) any device that may be lawfully operated or used by any authorized licensee or registrant in conducting any charitable gaming or charitable raffle pursuant to the Kansas charitable gaming act, K.S.A. 75-5171 et seq., and amendments thereto

(1)