

HOUSE BILL No. 2740

By Committee on Federal and State Affairs

3-16

Proposed Amendments to
House Bill No. 2740
House Committee on Federal and State Affairs
"Technical"
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Office of Revisor of Statutes

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

Strike in line 22

platforms

1 by the Kansas lottery. A ~~sports wagering~~ manager shall only accept wagers
2 placed through an interactive sports wagering platform from individuals
3 who are physically located within the state of Kansas at the time of
4 submitting the wager. Sports wagering conducted through the interactive
5 sports wagering platform shall be offered only as approved by the Kansas
6 lottery and in accordance with the provisions of the Kansas expanded
7 lottery act.

8 (b) Requests for approval of an interactive sports wagering platform
9 submitted to the Kansas lottery shall be in such form and manner as
10 prescribed by the executive director. The lottery gaming facility manager
11 requesting approval shall provide such information regarding the
12 interactive sports wagering platform and the manager's intended use of
13 such platform as the executive director deems necessary. All background
14 investigation requirements required by the Kansas racing and gaming
15 commission pursuant to the Kansas expanded lottery act shall be
16 completed before the executive director shall consider approval and usage
17 of any interactive sports wagering platform. The executive director shall
18 not unreasonably withhold approval of an interactive sports wagering
19 platform that a lottery gaming facility manager requests to be approved for
20 conducting sports wagering. Lottery gaming facility managers shall not be
21 required to use the same interactive sports wagering platforms.

22 (c) A lottery gaming facility manager may apply to the Kansas lottery
23 for approval of one additional graphical user interface specific to a
24 professional sports team that has a marketing agreement with such lottery
25 gaming facility manager to be used to access an interactive sports
26 wagering platform approved by the Kansas lottery.

27 New Sec. 3. (a) No person shall provide goods, services, software or
28 any other components necessary for the determination of the odds or the
29 outcomes of any wager on a sporting event, directly or indirectly, to a
30 lottery gaming facility manager, including data feeds and odds services,
31 unless such person holds a license issued pursuant to this section.

32 (b) (1) Upon receipt of a complete application and payment of the
33 required license fee, the commission may issue a sports wagering supplier
34 license to a person who satisfies the requirements of this section and any
35 rules and regulations adopted pursuant thereto. Applications for a sports
36 wagering supplier license shall be submitted in such form and manner as
37 prescribed by the commission.

38 (2) Such application shall include:

39 (A) The identity of:

40 (i) Each person who directly owns at least a 10% ownership interest
41 in the applicant;

42 (ii) each holding, intermediary or parent company that directly owns
43 at least a 15% ownership interest in the applicant; and