

HOUSE BILL No. 2427

By Representatives Carlin, Crow, Garcia, Hawk, Henry, Jack, Lane, Mah, Menghini, M. Miller, Ruff, Ruiz, B. Sharp, Showalter, Storm, Thull and Williams

2-9

11 AN ACT concerning the Kansas lottery; establishing a tiny-k benefit lot-
12 tery game; amending K.S.A. 2004 Supp. 74-8711 and repealing the
13 existing section.

14
15 *Be it enacted by the Legislature of the State of Kansas:*

16 New Section 1. (a) Notwithstanding any provision of law to the con-
17 trary, the Kansas lottery commission shall establish an instant lottery
18 scratch-off game designated as the tiny-k benefit game, which shall be
19 conducted by the Kansas lottery.

20 (b) The Kansas lottery commission shall adopt rules and regulations
21 governing the establishment of the tiny-k benefit game pursuant to K.S.A.
22 74-8710, and amendments thereto, except that subsection (b) of K.S.A.
23 74-8710, and amendments thereto, shall not apply to the tiny-k benefit
24 game established pursuant to this section.

25 (c) Notwithstanding the provisions of K.S.A. 79-4801 et seq., and
26 K.S.A. 74-8711, and amendments thereto, all net profits received from
27 the sale of tiny-k benefit game lottery tickets, materials and games, as
28 prescribed by rules and regulations adopted pursuant to subsection (b),
29 shall be deposited in the state treasury and shall be appropriated to the
30 department of health and environment solely to supplement and enhance
31 services provided by tiny-k programs in good standing through distribu-
32 tions to local lead agencies in accordance with the formula for distribu-
33 tions of state and federal moneys to tiny-k programs in effect at the time
34 the distribution is made. Such net profits shall be used to supplement
35 existing appropriations and shall not be used to supplant general fund
36 appropriations for services provided by tiny-k programs. No portion of
37 such net profits shall be used to pay administrative costs of the depart-
38 ment of health and environment.

39 (d) The Kansas lottery commission shall change the design or theme
40 of the tiny-k benefit game regularly so that the game remains competitive
41 with the other instant lottery scratch-off games offered by such commis-
42 sion. The tickets for the instant lottery game established pursuant to this
43 section shall clearly state that the profits derived from the game shall be

1 used for services benefitting infants and toddlers with special needs.

2 (e) As used in this section:

3 (1) "Local lead agency" means an organization designated by the sec-
4 retary of health and environment as a local lead agency eligible to provide
5 early intervention services and programs under Kansas statutes and rules
6 and regulations, including K.S.A. 75-5649, and amendments thereto, and
7 rules and regulations adopted pursuant thereto.

8 (2) "Tiny-k programs" means early intervention services as defined
9 according to the Individuals with Disabilities Education Act (Public Law
10 102-1190, Part C-Infants and Toddlers with Disabilities, Section 632 and/
11 or Individuals with Disabilities Education Act (IDEA) Amendments of
12 1997 (Public Law 105-17), and administered by the secretary of health
13 and environment, for infants and toddlers with special needs in Kansas.

14 Sec. 2. K.S.A. 2004 Supp. 74-8711 is hereby amended to read as
15 follows: 74-8711. (a) There is hereby established in the state treasury the
16 lottery operating fund.

17 (b) Except as provided by K.S.A. 2004 Supp. 74-8724 *and section 1*,
18 and amendments thereto, the executive director shall remit all moneys
19 collected from the sale of lottery tickets and shares and any other moneys
20 received by or on behalf of the Kansas lottery to the state treasurer in
21 accordance with the provisions of K.S.A. 75-4215, and amendments
22 thereto. Upon receipt of each such remittance, the state treasurer shall
23 deposit the entire amount in the state treasury to the credit of the lottery
24 operating fund. Moneys credited to the fund shall be expended or trans-
25 ferred only as provided by this act. Expenditures from such fund shall be
26 made in accordance with appropriations acts upon warrants of the direc-
27 tor of accounts and reports issued pursuant to vouchers approved by the
28 executive director or by a person designated by the executive director.

29 (c) Moneys in the lottery operating fund shall be used for:

30 (1) The payment of expenses of the lottery, which shall include all
31 costs incurred in the operation and administration of the Kansas lottery;
32 all costs resulting from contracts entered into for the purchase or lease
33 of goods and services needed for operation of the lottery, including but
34 not limited to supplies, materials, tickets, independent studies and sur-
35 veys, data transmission, advertising, printing, promotion, incentives, pub-
36 lic relations, communications and distribution of tickets and shares; and
37 reimbursement of costs of facilities and services provided by other state
38 agencies;

39 (2) the payment of compensation to lottery retailers;

40 (3) transfers of moneys to the lottery prize payment fund pursuant to
41 K.S.A. 74-8712, and amendments thereto;

42 (4) transfers to the state general fund pursuant to K.S.A. 74-8713,
43 and amendments thereto;

- 1 (5) transfers to the state gaming revenues fund pursuant to subsection
2 (d) of this section and as otherwise provided by law; and
3 (6) transfers to the county reappraisal fund as prescribed by law.
4 (d) The director of accounts and reports shall transfer moneys in the
5 lottery operating fund to the state gaming revenues fund created by
6 K.S.A. 79-4801, and amendments thereto, on or before the 15th day of
7 each month in an amount certified monthly by the executive director and
8 determined as follows, whichever is greater:
- 9 (1) An amount equal to the moneys in the lottery operating fund in
10 excess of those needed for the purposes described in subsections (c)(1)
11 through (c)(4); or
12 (2) except for pull-tab lottery tickets and shares, an amount equal to
13 not less than 30% of total monthly revenues from the sales of lottery
14 tickets and shares less estimated returned tickets. In the case of pull-tab
15 lottery tickets and shares, an amount equal to not less than 20% of the
16 total monthly revenues from the sales of pull-tab lottery tickets and shares
17 less estimated returned tickets.
- 18 Sec. 3. K.S.A. 2004 Supp. 74-8711 is hereby repealed.
19 Sec. 4. This act shall take effect and be in force from and after its
20 publication in the statute book.