

1 Each racetrack gaming facility manager shall pay a privilege fee of \$2,500
2 for each electronic gaming machine placed at the racetrack gaming facility
3 for which a privilege fee is not paid pursuant to paragraph (2).

4 (4) The racetrack gaming facility manager shall pay the privilege fees
5 provided by this subsection to the executive director, who shall remit the
6 entire amount to the state treasurer in accordance with K.S.A. 75-4215,
7 and amendments thereto. Upon receipt of the remittance, the state treasurer
8 shall deposit the entire amount in the state treasury and credit it to the
9 expanded lottery act revenues fund.

10 Sec. 9. K.S.A. 2017 Supp. 74-8746 is hereby amended to read as
11 follows: 74-8746. (a) ~~Except as provided in subsection (b):~~

12 (1) No electronic gaming machines shall be operated at a parimutuel
13 licensee location in Sedgwick county unless, during the first full calendar
14 year and each year thereafter in which electronic gaming machines are
15 operated at such location, the parimutuel licensee conducts at such location
16 at least 100 live greyhound races each calendar week for ~~the number of~~
17 ~~weeks raced during calendar year 2003~~ at least 50 weeks with at least 13
18 live races conducted each day for not less than five days per week.

19 (2) ~~No electronic gaming machines shall be operated at a parimutuel~~
20 licensee location in Wyandotte county unless, during the first full calendar
21 year and each year thereafter in which electronic gaming machines are
22 operated at such location, the parimutuel licensee conducts live horse
23 racing programs for at least 60 days, with at least 10 live races conducted
24 each program, and must offer and make a reasonable effort to conduct a
25 minimum number of three live races restricted for quarter horses each day
26 and seven live thoroughbred races each day, of which not less than two
27 races each day shall be limited to registered Kansas-bred horses
28 apportioned in the same ratio that live races are offered, except that the
29 licensee shall not be required to conduct the second live race restricted to
30 Kansas-bred horses unless there are at least seven qualified entries for such
31 race, ~~and with at least 100 live greyhound races each calendar week for at~~
32 ~~least the same number of weeks raced during calendar year 2003, with at~~
33 ~~least 13 live races conducted each day for not less than five days per week.~~

34 (3) ~~No electronic gaming machines shall be operated at a parimutuel~~
35 licensee location in Crawford county unless, during the first full calendar
36 year and each year thereafter in which electronic gaming machines are
37 operated at such location, the parimutuel licensee conducts at such location
38 at least 85 live greyhound races each calendar week for ~~the number of~~
39 ~~weeks raced during calendar year 2003 in Sedgwick county, at least 25~~
40 weeks with at least 12 live races conducted each day for not less than five
41 days per week.

42 (4) ~~If~~ a parimutuel licensee has not held live races pursuant to a
43 schedule approved by the Kansas racing and gaming commission in the

(b)

(c)

(d)

1 preceding 12 months, the Kansas racing and gaming commission shall
2 hold a hearing to determine the number of days of live racing required for
3 the remaining days of the first calendar year of operation to qualify for
4 operation of electronic gaming machines. At such hearing, the commission
5 shall receive testimony and evidence from affected breed groups, the
6 licensee and others, as the Kansas racing and gaming commission deems
7 appropriate concerning the schedule of live race days. ~~The operation of~~
8 ~~electronic gaming machines shall not commence more than 90 days prior~~
9 ~~to the start of live racing at such facility.~~

10 ~~(b) The Kansas racing and gaming commission may not grant~~
11 ~~exceptions to the requirements of subsection (a) for a parimutuel licensee~~
12 ~~conducting live racing unless such exception is in the form of an~~
13 ~~agreement which: (1) Is between the parimutuel licensee and the affected~~
14 ~~recognized greyhound or recognized horsemen's group, as defined in~~
15 ~~K.S.A. 74-8802, and amendments thereto; (2) has been approved by the~~
16 ~~appropriate official breed registering agencies; and (3) has been submitted~~
17 ~~to and approved by the commission. In the case of emergencies, weather~~
18 ~~related issues or immediate circumstances beyond the control of the~~
19 ~~licensee, the Kansas racing and gaming commission may grant an~~
20 ~~exception.~~

21 Sec. 10. K.S.A. 2017 Supp. 74-8747 is hereby amended to read as
22 follows: 74-8747. (a) *A racetrack gaming facility management contract*
23 *shall include provisions for net electronic gaming machine income from a*
24 *racetrack gaming facility shall to be distributed as follows:*

25 ~~(1) To the racetrack gaming facility manager, An amount equal to~~
26 ~~25% 22% of net electronic gaming machine income shall be credited to~~
27 ~~the expanded lottery act revenues fund;~~

28 ~~(2) 7% an amount equal to 10% of net electronic gaming machine~~
29 ~~income derived from electronic gaming machines located at racetrack~~
30 ~~gaming facilities licensed to conduct live horse races during the first and~~
31 ~~second years of operation and 14% of net electronic gaming machine~~
32 ~~income derived from electronic gaming machines located at such~~
33 ~~racetrack gaming facilities during the third and subsequent years of~~
34 ~~operation shall be credited to the live horse racing purse supplement fund~~
35 ~~established by K.S.A. 2017 Supp. 74-8767, and amendments thereto,~~
36 ~~except that the amount of net electronic gaming machine income credited~~
37 ~~to the fund during any fiscal year from electronic gaming machines at a~~
38 ~~racetrack gaming facility shall not exceed an amount equal to the average~~
39 ~~of \$3,750 per electronic gaming machine at each location and any moneys~~
40 ~~in excess of such amount shall be distributed between the state and the~~
41 ~~racetrack gaming facility manager in accordance with the racetrack~~
42 ~~gaming facility management contract;~~

43 (3) *an amount equal to 7% of net electronic gaming machine income*