

## 2023 Kansas Statutes

**74-8702. Definitions.** As used in the Kansas lottery act, unless the context otherwise requires:

(a) "Ancillary lottery gaming facility operations" means additional non-lottery facility game products and services not owned and operated by the state that may be included in the overall development associated with the lottery gaming facility. Such operations may include, but are not limited to, restaurants, hotels, motels, museums or entertainment facilities.

(b) "Auto racetrack facility" means the same as defined in K.S.A. 12-17,162, and amendments thereto, and that is located in Wyandotte county with a minimum investment of \$50,000,000 and is in operation on July 1, 2022.

(c) "Commission" means the Kansas lottery commission.

(d) (1) "Electronic gaming machine" means any electronic, electromechanical, video or computerized device, contrivance or machine authorized by the Kansas lottery that, upon insertion of cash, tokens, electronic cards or any consideration, is available to play, operate or simulate the play of a game authorized by the Kansas lottery pursuant to the Kansas expanded lottery act, including, but not limited to, bingo, poker, blackjack, keno and slot machines, and that may deliver or entitle the player operating the machine to receive cash, tokens, merchandise or credits that may be redeemed for cash. Electronic gaming machines may use bill validators and may be single-position reel-type, single or multi-game video and single-position multi-game video electronic game, including, but not limited to, poker, blackjack and slot machines. Electronic gaming machines shall be directly linked to a central computer at a location determined by the executive director for purposes of security, monitoring and auditing.

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

(e) "Executive director" means the executive director of the Kansas lottery.

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

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

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

(i) "Interactive sports wagering platform" means an integrated system of hardware, software and applications, including, but not limited to, mobile applications and servers, through which sports wagering may be made available to persons physically located within the state of Kansas at the time of submitting the wager to a sports wagering manager over the internet or wireless services as defined in K.S.A. 66-2019, and amendments thereto, including, but not limited to, through websites and mobile device applications.

(j) (1) "Instant bingo vending machine" means a machine or electronic device that is purchased or leased by a licensee, as defined by K.S.A. 75-5173, and amendments thereto, from a distributor who has been issued a distributor registration certificate pursuant to K.S.A. 75-5184, and amendments thereto, or leased from the Kansas lottery in fulfillment of the Kansas lottery's obligations under an agreement between the Kansas lottery and a licensee entered into pursuant to K.S.A. 75-5189, and amendments thereto, and the sole purpose of which is to:

(A) Dispense a printed physical instant bingo ticket after a purchaser inserts cash or other form of consideration into the machine; and

(B) allow purchasers to manually check the winning status of the instant bingo ticket.

(2) "Instant bingo vending machine" shall not:

(A) Provide a visual or audio representation of a bingo card or an electronic gaming machine;

(B) visually or functionally have the same characteristics of an electronic instant bingo game or an electronic gaming machine;

(C) automatically determine or display the winning status of any dispensed instant bingo ticket;

(D) extend or arrange credit for the purchase of an instant bingo ticket;

(E) dispense any winnings;

(F) dispense any prize;

(G) dispense any evidence of a prize other than an instant bingo ticket;

(H) provide free instant bingo tickets or any other item that can be redeemed for cash; or

(I) dispense any other form of a prize to a purchaser.

All physical instant bingo tickets dispensed by an instant bingo vending machine shall be purchased by a licensee, as defined by K.S.A. 75-5173, and amendments thereto, from a registered distributor.

Not more than two instant bingo vending machines may be located on the premises of each licensee location.

(k) "Kansas lottery" means the state agency created by this act to operate a lottery or lotteries pursuant to this act.

(l) "Lottery" or "state lottery" means the lottery or lotteries operated pursuant to this act.

(m) (1) "Lottery facility games" means any electronic gaming machines and any other games that are authorized to be conducted or operated at any licensed gaming facilities in the United States.

(2) "Lottery facility games" does not include sports wagering or historical horse race machines, as defined in K.S.A. 74-8802, and amendments thereto.

(n) "Lottery gaming enterprise" means an entertainment enterprise that includes a lottery gaming facility authorized pursuant to the Kansas expanded lottery act and ancillary lottery gaming facility operations that have a coordinated business or marketing strategy. A lottery gaming enterprise shall be designed to attract to its lottery gaming facility consumers who reside outside the immediate area of such enterprise.

(o) "Lottery gaming facility" means that portion of a building used for the purposes of operating, managing and maintaining lottery facility games.

(p) "Lottery gaming facility expenses" means normal business expenses, as defined in the lottery gaming facility management contract, associated with the ownership and operation of a lottery gaming facility.

(q) "Lottery gaming facility management contract" means a contract, subcontract or collateral agreement between the state and a lottery gaming facility manager for the management of a lottery gaming facility, the business of which is owned and operated by the Kansas lottery, negotiated and signed by the executive director on behalf of the state.

(r) "Lottery gaming facility manager" means a corporation, limited liability company, resident Kansas American Indian tribe or other business entity authorized to construct and manage, or manage alone, pursuant to a lottery gaming facility management contract with the Kansas lottery, and on behalf of the state, a lottery gaming enterprise and lottery gaming facility.

(s) "Lottery gaming facility revenues" means the total revenues from lottery facility games at a lottery gaming facility after all related prizes are paid. The term "lottery gaming facility revenues" does not include sports wagering revenues.

(t) (1) "Lottery machine" means any machine or device that allows a purchaser to insert cash or other form of consideration and may deliver as the result of an element of chance, regardless of the skill required by the purchaser, a prize or evidence of a prize, including, but not limited to:

(A) Any machine or device in which the prize or evidence of a prize is determined by both chance and the purchaser's or purchasers' skill, including, but not limited to, any machine or device on which a lottery game or lottery games, such as poker or blackjack, are played; or

(B) any machine or device in which the prize or evidence of a prize is determined only by chance, including, but not limited to, any slot machine or bingo machine.

(2) "Lottery machine" shall not mean:

(A) Any food vending machine defined by K.S.A. 36-501, and amendments thereto;

(B) any nonprescription drug machine authorized under K.S.A. 65-650, and amendments thereto;

(C) any machine that dispenses only bottled or canned soft drinks, chewing gum, nuts or candies;

(D) any machine excluded from the definition of gambling devices under K.S.A. 21-4302(d), prior to its repeal, or K.S.A. 21-6403, and amendments thereto;

(E) any electronic gaming machine or lottery facility game operated in accordance with the provisions of the Kansas expanded lottery act;

(F) any lottery ticket vending machine; or

(G) any instant bingo vending machine.

(u) "Lottery retailer" means any person with whom the Kansas lottery has contracted to sell lottery tickets or shares, or both, to the public.

(v) (1) "Lottery ticket vending machine" means a machine or similar electronic device owned or leased by the Kansas lottery, the sole purposes of which are to:

(A) Dispense a printed physical ticket, such as a lottery ticket, a keno ticket, a pull tab ticket or a coupon, the coupon of which must be redeemed through something other than a lottery ticket vending machine, after a purchaser inserts cash or other form of consideration into the machine;

(B) allow purchasers to manually check the winning status of a Kansas lottery ticket; and

(C) display advertising, promotions and other information pertaining to the Kansas lottery.

(2) "Lottery ticket vending machine" shall not:

(A) Provide a visual or audio representation of an electronic gaming machine;

(B) visually or functionally have the same characteristics of an electronic gaming machine;

(C) automatically determine or display the winning status of any dispensed ticket;

(D) extend or arrange credit for the purchase of a ticket;

(E) dispense any winnings;

(F) dispense any prize;

(G) dispense any evidence of a prize other than the lottery ticket, keno ticket, pull tab ticket or any free Kansas lottery ticket received as a result of the purchase of another Kansas lottery ticket;

(H) provide free games or any other item that can be redeemed for cash; or

(I) dispense any other form of a prize to a purchaser.

Not more than two lottery ticket vending machines may be located at each Kansas lottery retailer selling location.

Lottery ticket vending machines may only dispense the printed physical lottery ticket, keno ticket or pull tab ticket, including any free Kansas lottery ticket received as a result of the purchase of another Kansas lottery ticket, and change from a purchase to the purchaser. Any winnings from a lottery ticket vending machine shall be redeemed only for cash or check by a lottery retailer or by cash, check or other prize from the office of the Kansas lottery.

(w) (1) "Major procurement" means any gaming product or service, including, but not limited to, facilities, advertising and promotional services, annuity contracts, prize payment agreements, consulting services, equipment, tickets and other products and services unique to the Kansas lottery, but not including materials, supplies, equipment and services common to the ordinary operations of state agencies.

(2) "Major procurement" shall not mean any product, service or other matter covered by or addressed in the Kansas expanded lottery act or a lottery gaming facility management contract or racetrack gaming facility management contract executed pursuant to the Kansas expanded lottery act.

(x) "Marketing agreement" means an agreement entered into between a professional sports team or other marketing entity and a lottery gaming facility manager for the purposes described in K.S.A. 2023 Supp. 74-8784, and amendments thereto.

(y) "Marketing entity" means:

(1) A corporation, limited liability company, partnership or other business entity registered to do business in this state; or

(2) a nonprofit fraternal or veterans organization.

(z) "Match-fixing" means to arrange or determine any action that occurs during a sporting event, including, but not limited to, any action resulting in the final outcome of such sporting event, for financial gain.

(aa) "Net electronic gaming machine income" means all cash or other consideration utilized to play an electronic gaming machine operated at a racetrack gaming facility, less all cash or other consideration paid out to winning players as prizes.

(bb) "Nonprofit fraternal organization" means any organization within this state that exists for the common benefit, brotherhood or other interests of its members and is authorized by its written constitution, charter, articles of incorporation or bylaws to engage in a fraternal, civic or service purpose within this state and has been determined by the executive director to be organized and operated as a bona fide fraternal organization and that has been exempted from the payment of federal income taxes as provided by section 501(c)(8) or section 501(c)(10) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit fraternal organization by the executive director.

(cc) "Nonprofit veterans' organization" means any organization within this state or any branch, lodge or chapter of a national or state organization within this state, the membership of which consists exclusively of individuals who qualify for membership because they were or are members of the armed services or forces of the United States, or an auxiliary unit or society of such a nonprofit veterans' organization, the membership of which consists exclusively of individuals who were or are members of the armed services or forces of the United States, or are cadets, or are spouses, widows or widowers of individuals who were or are members of the armed services or forces of the United States, and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization, and has been determined by the executive director to be organized and operated as a bona fide veterans' organization and that has been exempted from the payment of federal income taxes as provided by section 501(c)(4) or 501(c)(19) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit veterans' organization by the executive director.

(dd) "Organization licensee" means the same as defined in K.S.A. 74-8802, and amendments thereto.

(ee) "Parimutuel licensee" means a facility owner licensee or facility manager licensee under the Kansas parimutuel racing act.

(ff) "Parimutuel licensee location" means a racetrack facility, as defined in K.S.A. 74-8802, and amendments thereto, owned or managed by the parimutuel licensee. A parimutuel licensee location includes any existing structure at such racetrack facility or any structure that may be constructed on real estate where such racetrack facility is located.

(gg) "Person" means any natural person, association, limited liability company, corporation or partnership.

(hh) "Primary facility" means the stadium or arena where a professional sports team hosts competitive games in accordance with such team's league rules.

(ii) "Prize" means any prize paid directly by the Kansas lottery pursuant to the Kansas lottery act or the Kansas expanded lottery act or any rules and regulations adopted pursuant to either act.

(jj) "Professional sports team" means an athletic team, whose primary facility is located in Kansas, that operates at the major league level in the sport of baseball, basketball, football, ice hockey or soccer.

(kk) "Progressive electronic game" means a game played on an electronic gaming machine for which the payoff increases uniformly as the game is played and for which the jackpot, determined by application of a formula to the income of independent, local or interlinked electronic gaming machines, may be won.

(ll) "Racetrack gaming facility" means that portion of a parimutuel licensee location where electronic gaming machines are operated, managed and maintained.

(mm) "Racetrack gaming facility management contract" means an agreement between the Kansas lottery and a racetrack gaming facility manager, negotiated and signed by the executive director on behalf of the state, for placement of electronic gaming machines owned and operated by the state at a racetrack gaming facility.

(nn) "Racetrack gaming facility manager" means a parimutuel licensee specifically certified by the Kansas lottery to become a certified racetrack gaming facility manager and offer electronic gaming machines for play at the racetrack gaming facility.

(oo) "Returned ticket" means any ticket that was transferred to a lottery retailer, that was not sold by the lottery retailer and that was returned to the Kansas lottery for refund by issuance of a credit or otherwise.

(pp) "Share" means any intangible manifestation authorized by the Kansas lottery to prove participation in a lottery game, except as provided by the Kansas expanded lottery act.

(qq) "Sports governing body" means the organization that prescribes the final rules and enforces codes of conduct with respect to a sporting event and the participants in such event.

(rr) (1) "Sporting event" means any professional or collegiate sport or athletic event, motor race event or any other special event authorized by the commission that has not occurred at the time wagers are placed on such event.

(2) The term "sporting event" does not include:

(A) Any horse race that is subject to the provisions of the Kansas parimutuel racing act, K.S.A. 74-8801 et seq., and amendments thereto;

(B) any greyhound race; or

(C) any sporting or athletic event where a majority of the participants are less than 18 years of age.

(ss) (1) "Sports wagering" means placing a wager or bet on one or more sporting events, or any portion thereof, or on the individual performance statistics of athletes participating in a sporting event, or combination of sporting events, by any system or method of wagering at or through a lottery gaming facility, including through an interactive sports wagering platform. "Sports wagering" includes, but is not limited to, single game wagers, teaser wagers, parlays, over-under wagers, moneyline wagers, pools, exchange wagering, in-game wagers, in-play wagers, proposition wagers, straight wagers and such other wagers approved by the commission.

(2) The term "sports wagering" shall not include:

(A) Parimutuel wagering, as defined in K.S.A. 74-8802, and amendments thereto; or

(B) fantasy sports leagues, as defined in K.S.A. 21-6403, and amendments thereto.

(tt) "Sports wagering revenues" means wagering revenue generated from sports wagering that is an amount equal to the total wagers less any voided wagers, federal excise taxes, free plays or other promotional credits and any amounts paid as prizes.

(uu) "Sports wagering supplier" means a person providing goods, services, software or any other components necessary for the determination of the odds or the outcomes of any wager on a sporting event, directly or indirectly, to a lottery gaming facility manager, including data feeds and odds services, that is licensed under K.S.A. 2023 Supp. 74-8783, and amendments thereto.

(vv) "Ticket" means any tangible evidence issued by the Kansas lottery to prove participation in a lottery game, including a sports wager, other than a lottery facility game.

(ww) "Token" means a representative of value, of metal or other material, that is not legal tender, redeemable for cash only by the issuing lottery gaming facility manager or racetrack gaming facility manager and that is issued and sold by a lottery gaming facility manager or racetrack gaming facility manager for the sole purpose of playing an electronic gaming machine or lottery facility game.

(xx) "Vendor" means any person who has entered into a major procurement contract with the Kansas lottery.

(yy) "Video lottery machine" means any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game authorized by the commission, including, but not limited to, bingo, poker, black jack and keno,

and which uses a video display and microprocessors and in which, by chance, the player may receive free games or credits that can be redeemed for cash.

(zz) "Wager" or "bet" means a bargain in which the parties agree that, dependent upon chance, one stands to win or lose something of value specified in the agreement.

**History:** L. 1987, ch. 292, § 2; L. 1988, ch. 314, § 1; L. 1989, ch. 244, § 1; L. 1992, ch. 299, § 2; L. 2001, ch. 24, § 5; L. 2007, ch. 110, § 1; L. 2011, ch. 30, § 259; L. 2018, ch. 96, § 1; L. 2022, ch. 91, § 24; July 1.