

## 2023 Kansas Statutes

**74-8751. Rules and regulations; certification of certain persons connected with lottery gaming, racetrack gaming and sports wagering.** (a) The Kansas racing and gaming commission, through rules and regulations, shall establish:

(1) A certification requirement, and enforcement procedure, for officers, directors, key employees and persons directly or indirectly owning a 5% or more interest in a lottery gaming facility manager or racetrack gaming facility manager. Such certification requirement shall include compliance with such security, fitness and background investigations and standards as the executive director of the Kansas racing and gaming commission deems necessary to determine whether such person's reputation, habits or associations pose a threat to the public interest of the state or to the reputation of or effective regulation and control of the lottery gaming facility or racetrack gaming facility;

(2) a certification requirement, and enforcement procedure, for those persons, including electronic gaming machine manufacturers, technology providers and computer system providers, who propose to contract with a lottery gaming facility manager, a racetrack gaming facility manager or the state for the provision of goods or services related to a lottery gaming facility or racetrack gaming facility, including management services. Such certification requirements shall include compliance with such security, fitness and background investigations and standards of officers, directors, key gaming employees and persons directly or indirectly owning a 5% or more interest in such entity as the executive director of the Kansas racing and gaming commission deems necessary to determine whether such person's reputation, habits and associations pose a threat to the public interest of the state or to the reputation of or effective regulation and control of the lottery gaming facility or racetrack gaming facility. If the executive director of the racing and gaming commission determines the certification standards of another state are comprehensive, thorough and provide similar adequate safeguards, the executive director may certify an applicant already certified in such state without the necessity of a full application and background check;

(3) (A) a certification requirement and enforcement procedure for:

(i) Employees of a lottery gaming facility manager or another entity owned by the lottery gaming facility manager's parent company that are directly involved in the management of sports wagering managed by such manager; and

(ii) those persons who propose to contract with a lottery gaming facility manager in an amount that exceeds \$250,000 per year for the provision of goods or services related to sports wagering, including any interactive sports wagering platform requested by a lottery gaming facility manager under K.S.A. 2023 Supp. 74-8782, and amendments thereto; and

(B) such certification requirement shall include compliance with such security, fitness and background investigations and standards as the executive director deems necessary to determine whether such person's reputation, habits or associations pose a threat to the public interest of the state or to the reputation of, or effective regulation and control of, sports wagering conducted by the lottery gaming facility. Such certification shall be valid for one year from the date of issuance;

(4) provisions for revocation of a certification required by subsection (a)(1) or (a)(2) upon a finding that the certificate holder, an officer or director thereof or a person directly or indirectly owning a 5% or more interest therein: (A) Has knowingly provided false or misleading material information to the Kansas lottery or its employees; or (B) has been convicted of a felony, gambling related offense or any crime of moral turpitude;

(5) provisions for suspension, revocation or nonrenewal of a certification required by subsection (a)(1) or (a)(2) upon a finding that the certificate holder, an officer or director thereof or a person directly or indirectly owning a 5% or more interest therein: (A) Has failed to notify the Kansas lottery about a material change in ownership of the certificate holder, or any change in the directors or officers thereof; (B) is delinquent in remitting money owed to the Kansas lottery; (C) has violated any provision of any contract between the Kansas lottery and the certificate holder; or (D)

has violated any provision of the Kansas expanded lottery act or any rule and regulation adopted hereunder; and

(6) provisions for suspension, revocation or nonrenewal of a certification required by subsection (a)(3) upon a finding that the certificate holder has: (A) Knowingly provided false or misleading material information to the Kansas lottery, the Kansas racing and gaming commission or to the employees of either entity; (B) been convicted of a felony, gambling-related offense or any crime of moral turpitude; (C) violated any provision of any contract between the Kansas lottery and the certificate holder; or (D) violated any provision of the Kansas expanded lottery act or any rule and regulation adopted hereunder.

(b) A certification issued pursuant to this section shall not be assignable or transferable.

**History:** L. 2007, ch. 110, § 20; L. 2022, ch. 91, § 30; July 1.