



Comparison of Issues Presented in Proposed Amendments to the Kansas Expanded Lottery Act
January 31, 2012

1-31-12

| Issue | SB 237 | SB 241 | SB 319 |
|---|--|--|--|
| KS Agricultural Opportunity Act | Not included | Requires breed registering agencies to make recommendations and reports to KRGC to encourage and promote economic development through horse and greyhound breeding | Requires breed registering agencies to make recommendations and reports to KRGC to encourage and promote economic development through horse and greyhound breeding |
| Sedgwick County election | Not included | Not included | Allows Sedgwick County officials to conduct an election to approve slot machines in the county |
| Reduction of minimum investment amount and privilege fee for the SE gaming zone | Minimum investment would be \$100M, and privilege fee would be \$11M | Minimum investment would be \$50M, and privilege fee would be \$5.5M | Minimum investment would be \$50M, and privilege fee would be \$5.5M |
| Nonrefundable privilege fee | Makes the privilege fee nonrefundable except when local election disapproves gaming, or contract is rejected by the state. | Not included | Not included |

Issue

SB 237

SB 241

SB 319

Lottery facility revenues distribution

Not included

Reduce from 2% to 1% revenues paid to problem gambling fund, and pay 1% to the development and promotions fund of the dept. of wildlife, parks and tourism

Not included

Racetrack management contract provisions

Contract would include a resolution of endorsement from local governing body

Not included

Contract would include provisions for distribution of slot machine income

Same entity managing both a lottery and racetrack gaming facility

Not permitted

Not permitted

Permitted

Slot machine distribution

Sets cap of 1,200 machines at any one facility, and strikes requirement to only partial distribute machines until all 4 zones have a contract in place

Lowers minimum to 400 and sets cap of 1,200 machines at any one facility, and strikes requirement to only partial distribute machines until all 4 zones have a contract in place

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| <p>Slot machine income distribution (See Appendix A)</p> | <p>1) For SE gaming zone: not more than 58% to the manager (includes 15% currently allocate for expenses); not less than 22% to the state; 7% each to the purse supplement funds, but strikes the cap of \$3,750 per machine; 3% to the local government; 2% to the problem gambling fund; and 1% to the horse fair racing fund.</p> <p>2) For NE gaming zone prior to Jan. 1, 2013: same distribution as in current law.</p> <p>3) For NE gaming zone after Jan. 1, 2013: same as the distribution for SE gaming zone above.</p> | <p>Not more than 58% to the manager (includes 15% currently allocate for expenses); not less than 22% to the state; 7% each to the purse supplement funds, but strikes the cap of \$3,750 per machine; 3% to the local government; 1% to the problem gambling fund; 1% to the development and promotions fund of the dept of wildlife, parks and tourism; and 1% to the horse fair racing fund.</p> | <p>22% to the state; 7% to the horse racing purse supplement fund, but only from the income derived from facilities conducting horse races; 7% to the greyhound racing purse supplement fund, but only from the income derived from facilities conducting greyhound races; strikes the cap of \$3,750 per machine for purse supplement funds; 2% to local government; 1% to horse fair racing fund; and remaining balance to the manager</p> |
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| <p>Background checks by KRGC</p> | <p>Amends the 0.5% threshold up to 5%, and clarifies individuals subject to background checks who own an interest in a publicly traded company or an institutional investor</p> | <p>Amends the 0.5% threshold up to 5%, and clarifies individuals subject to background checks who own an interest in a publicly traded company or an institutional investor</p> | <p>Amends the 0.5% threshold up to 5%, and clarifies individuals subject to background checks who own an interest in a publicly traded company or an institutional investor</p> |
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Issue

SB 237

SB 241

SB 319

Allows for gaming revenues to be spent on deferred maintenance at Regent's institutions, and on the unfunded actuarial liability of the state for KPERS

Not included

Not included

Racing requirements

Not included

Not included

- 1) For Sedgwick County the number of weeks of live greyhound racing changes from weeks raced in 2003 to at least 25;
- 2) For Wyandotte County live greyhound racing requirement is stricken;
- 3) For Crawford County the number of weeks of live greyhound races changes from weeks raced in 2003 to at least 25

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| Wagering tax distribution | Not included | Not included | Wagering tax proceeds are not deposited in state racing fund, but distributed 17% to the development and promotions fund of the dept of wildlife, parks and tourism, 17% to the problem gambling fund, 33% to the horse breeding development fund, and 33% to the greyhound breeding development fund |
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| Admissions tax | Not included | Repeals the admissions tax imposed by parimutuel racing statutes | Repeals the admissions tax imposed by parimutuel racing statutes |
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| Greyhound breeding development fund distribution | Not included | Not included | Lesser of 35% or \$100,000 of moneys in the fund pay for research on prevention of injury and disease to greyhounds, and remaining balance used for supplementing purses of greyhound races |
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Issue

SB 237

SB 241

SB 319

Simulcasting restrictions

Not included

Not included

1) Permits any racetrack gaming facility the complies with live racing requirements under KELA and any fair association conducting less than 40 days of live racing to obtain a simulcasting license; 2) Strikes restrictions on number of days a fair association can display simulcast races

Effective date of act

July 1, 2012

Kansas Register

Kansas Register

Appendix A
Slot Machine Income Distribution

Current Law

SB 237

SB 241

SB 319

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|---------------------|---|-----------------------------------|---------------------|
| <p>40% to ELARF</p> | <p>For SE gaming zone and, if contract executed after Jan. 1, 2013, then also for NE gaming zone: not less than 22% to ELARF</p> <p>For NE gaming zone if contract executed prior to Jan. 1, 2013: 40% to ELARF</p> | <p>Not less than 22% to ELARF</p> | <p>22% to ELARF</p> |
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| <p>25% to the facility manager</p> | <p>For SE gaming zone and, if contract executed after Jan. 1, 2013, then also for NE gaming zone: not more than 58% to the facility manager</p> <p>For NE gaming zone if contract executed prior to Jan. 1, 2013: 25% to the facility manager</p> | <p>Not more than 58% to the facility manager</p> | <p>Remaining balance to the facility manager</p> |
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Current Law

SB 237

SB 241

SB 319

7% to the horse racing purse supplement fund capped at an average of \$3,750 per machine

For SE gaming zone and, if contract executed after Jan. 1, 2013, then also for NE gaming zone: 7% to the horse racing purse supplement fund without limit
For NE gaming zone if contract executed prior to Jan. 1, 2013: 7% to the horse racing purse supplement fund capped at an average of \$3,750 per machine

7% to the horse racing purse supplement fund without limit

7% to the horse racing purse supplement fund without limit, but only that income derived from facilities conducting horse races

7% to the greyhound racing purse supplement fund capped at an average of \$3,750 per machine

For SE gaming zone and, if contract executed after Jan. 1, 2013, then also for NE gaming zone: 7% to the greyhound racing purse supplement fund without limit
For NE gaming zone if contract executed prior to Jan. 1, 2013: 7% to the greyhound racing purse supplement fund capped at an average of \$3,750 per machine

7% to the greyhound racing purse supplement fund without limit

7% to the greyhound racing purse supplement fund without limit, but only that income derived from facilities conducting greyhound races

Current Law

SB 237

SB 241

SB 319

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| 3% to local governments depending on the gaming zone and whether the facility is located within city limits | 3% to local governments depending on the gaming zone and whether the facility is located within city limits | 3% to local governments depending on the gaming zone and whether the facility is located within city limits | 2% to local governments depending on the gaming zone and whether the facility is located within city limits |
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| 2% to the problem gambling and addictions fund | 2% to the problem gambling and addictions fund | 1% to the problem gambling and addictions fund | Problem gambling and addictions fund does not receive any % of the income |
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| 1% to the Kansas horse fair racing benefit fund | 1% to the Kansas horse fair racing benefit fund | 1% to the Kansas horse fair racing benefit fund | 1% to the Kansas horse fair racing benefit fund |
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| Not included | Not included | 1% to the development and promotions fund of the dept of wildlife, parks and tourism | Not included |
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| 15% for gaming expenses | Included in manager's allocation | Included in manager's allocation | Included in manager's allocation |
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