Approved: 17/1 28,1994

#### MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Chairman Lana Oleen at 11:05 a.m. on March 24, 1994 in Room 254-E of the Capitol.

All members were present except: Sen. Vidricksen was excused

Committee staff present: Mary Ann Torrence, Revisor of Statutes

Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee: See attached agenda

Others attending: See attached list

Sen. Oleen recognized Sen. Walker, who introduced pages from his district, who are assisting the committee today. She also requested the committee review committee Minutes for February 24 and 25 for action later.

Sen. Oleen referred to the confirmation hearing for James E, Butler, for his appointment to the Commission on Human Rights. Sen. Parkinson commented he attended law school with Mr. Butler and told how impressed he was at that time with Mr. Butler. Sen. Jones made a motion Mr. Butler be recommended for confirmation, and it was seconded by Sen. Gooch; the motion passed.

Sen. Oleen called attention to <u>SB 826</u>, requiring permits for licensees for persons mixing, serving or selling alcoholic beverages. At the request of Sen. Walker, information regarding the bill has been distributed to committee members at their desks in the Senate. She reminded the committee of action yesterday which was that Sen. Walker made a motion the bill be passed favorably, and it had been seconded by Sen. Praeger. Sen. Walker withdrew his motion made yesterday to pass the bill favorably, and Sen. Praeger withdrew her second to the motion. Sen. Walker then requested the committee consider three amendments proposed by Tuck Duncan (Attachment 1). Sen. Oleen requested Mr. Duncan explain the proposed amendments to the committee, and he stated the amendments were proposed as a result of opposition to the bill. Sen. Oleen referred to the fiscal note (Attachment 2) and requested additional input from Jim Conant, Division of Alcoholic Beverage Control, and the affects of the amendments. Mr. Conant stated the amendments will substantially reduce the fiscal note, including some of the full time positions which would be required to enforce the bill. Sen. Parkinson questioned Mr. Duncan regarding how many people would be trained, the amount of training and the cost of the training. Mr. Duncan stated one quarter of the industry voluntarily trains its employees, which would meet requirements of the bill. Mr. Duncan stated the Training for Alcoholic Management (TAM) is an excellent program and feedback from other states, who have passed similar legislation, is very positive. He added that the State of Oregon has a much stricter law, as do other states. Mr. Duncan also pointed out the anticipated training will take three to four hours, and that the law will not be effective until July 1, 1995. He emphasized the object of the bill is to equip personnel in the retail stores to better curb underage drinking and the clubs for intervention training dealing with the intoxicated patron. Sen. Ramirez stated he believes the bill needs further study, and he made a motion SB 826 be referred for interim study. The motion was seconded by Sen. Parkinson. Sen. Walker made a substitute motion the proposed amendments be adopted, and it was seconded by Sen. Jones. Sen. Parkinson stated the committee can assume the mandatory training would help, but it has no way of knowing for sure. He pointed to the fact that the legislation requires hiring additional state employees and that we need to be sure it is worth the cost. Sen. Walker pointed out that the committee should consider passing the bill, with amendments, as it would reduce the drinking problem; he also pointed out there is no big opposition to the bill and that the industry is in favor of the training. Sen. Tillotson stated she is concerned as to who will pay for the training, the owners or the employees. Sen. Oleen asked if the training would be a requirement for employment. Mr. Duncan reminded the committee the training is required once every three years. Sen. Gooch added he sees no big problem with adding this training to the bartender training, and Sen. Oleen reminded the committee the state does not require bartender training. The question was called on Sen. Walker's substitute motion and a division was called: Yes - 4; No - 5; the motion failed. The original motion -- to refer the bill for interim study -- passed.

# **CONTINUATION SHEET**

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS, Room 254-E Statehouse, at 11:05 a.m. on March 24, 1994.

Sen. Oleen referred to <u>HB 2836</u>, amending the parimutuel racing act, relating to simulcast races, and asked Mary Torrence to brief the bill. She stated the major changes to the Parimutuel Racing Act is in recognizing and defining association groups and the question of proceeds from simulcast funds. Sen. Oleen referred to a memo from Mary Galligan, which outlines the division of simulcast breakage and unclaimed winnings (<u>Attachment 3</u>). She introduced Janet Chubb, who referred to her previous testimony, which outlines amendments recommended by the Racing Commission (<u>Attachment 4</u>). <u>Sen. Parkinson made a motion the committee adopt the recommendation from the Racing Commission regarding defining and recognizing horseman and greyhound groups. The motion was seconded by Sen. Walker, and the motion passed.</u>

Sen. Parkinson made a motion the breakage winnings be divided: 50% be allocated in proportion to the breeds participating in live races; 50% be allocated in proportion to the simulcast races, and the motion was seconded by Sen. Ramirez. Sen. Parkinson stated the thoroughbred association is in favor of dividing the funds according to participation in the simulcast races, which would give them approximately 99% of the funds; the quarterhorse industry less than 1% of the fund. The quarterhorse association wants the division of breakage according to the live races run at the track, which would give the thoroughbred industry approximately 85%; the quarterhorse industry 15%. Sen. Parkinson stated it is difficult to know what is fair, and there are arguments which have merit on both sides. Sen. Oleen reminded the committee this controversy has been going on for several years and reviewed the different compositions for the committee (these are contained in the memo from Mary Galligan - Attachment 3). She also reminded the committee it had requested the two groups meet, which they did, but no resolution was found to the problem. Sen. Parkinson stated he wanted to try a new approach, hoping it would get the approval from the two association, and that is why he made the motion. Sen. Oleen asked if his motion included making the division of funds retroactive and asked Ms. Torrence her opinion on the retroactive provision. Ms. Torrence replied she has sought advice from Norman Furse, and his opinion is that there is no entitlement regarding the court decision. She stated the committee could make it retroactive, and the court might also challenge it. Sen. Parkinson added that if it is not made retroactive, the quarterhorse association might appeal it. Ms. Torrence added the court can always ignore that stipulation. Sen. Tillotson made a substitute motion that the bill be amended to include the recommendation of the Racing Commission and the Attorney General's decision, and it was seconded by Sen. Gooch. Sen. Ramirez spoke in opposition to the substitute motion, and Sen. Praeger stated if the committee can fashion a compromise between the two parties, the law suit and appeal might be dropped. Sen. Oleen stated it will not be the first issue the committee has dealt with that has resulted in a law suit. In answer to a question, Ms. Chubb stated the present law suit involved the funds for the years 1992 and 1993. Hensley stated the committee has tried to bring the two groups together, which was not possible; he believes the Racing Commission is responsible for making decisions and that they have made a recommendation and he supports Sen. Tillotson's motion. The motion passed.

Sen. Parkinson stated due to the disharmony between the two groups, he was making a motion on Page 9 of HB 2836, Subsection K, Line 8, the word "question" be deleted and insert the word "dates", and Sen. Ramirez seconded the motion. Sen. Parkinson explained the intent of his motion is to give the Racing Commission the ability to arbitrate a controversy. Sen. Jones asked if Sen. Parkinson's motion is intended to effect when and where simulcasting could be conducted, and Ms. Chubb asked the legislative intent of the motion. Sen. Parkinson explained the commission has been at a stalemate, and he wants the Racing Commission to have the ability to resolve problems and to be able to settle disputes. Ms. Chubb stated the intent is consistent with the wishes of the commission. After discussion, Sen. Parkinson amended his motion, to insert the word "application" after "simulcasting" in Line 8, and that change was agreed upon by Sen. Ramirez, who seconded by motion. The motion passed. Sen. Gooch made a motion the bill be recommended favorably as amended, and it was seconded by Sen. Tillotson; the motion passed. (See Committee Report, Attachment 5)

Sen. Oleen stated there are several Resolutions which have passed out of the House and may be referred to this committee.

Sen. Gooch made a motion the Minutes for February 24 and 25, 1994, be approved, and the motion was seconded by Sen. Jones; the motion passed.

Meeting adjourned at 12:00.

COMMITTEE: Senate Federal & Late Affairs DATE: MARCH 24, 1994

27. N	AME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
1	Koven S. Tolle	Overland Park	KQHRA:
	Frances Szell:	Vandle	: 12hC
	Sonia & Jim Yount	Valley Wills Ks	K.Q.H.R.A.
	Jm Conart	1-5-	. ABC
	Frances KASTNER	topeka	Ks Ford Deslow Horn
4	Sax Johnson	Typeka	: KRC
-	Janet a. Chubb :	Ispika	KRC
	TICK DUNCAL	Topoles	KWSWA
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AttACh... 5. B. 826

March 15, 1994

Senator

Dear Senator :

The Chairman of the Senate Federal and State Affairs Committee asked yesterday that the committee contemplate Senate Bill 826, the server and seller training bill, as the committee would "work" the bill this week. There are a couple of matters I wish to bring to your attention in hopes that the committee would act tavorably on the bill.

- 1. You may have heard that a similar bill was not acted upon favorably by the House Committee of the Whole. That is true; however, some of the opposition was due to the fact that it was tied to a "dram shop" bill. Additionally, there was confusion on the floor of the House during the debate regarding certain provisions. Enclosed herewith you will find a letter we are sending to all members of the House to clarify certain items.
- 2. We suggest, in light of the House debate, that you make the following amendments:
- \* Eliminate CMB licensees from the requirement. (Perhaps in the future they will be incorporated into this program, but if we can initiate the program for clubs, drinking establishments and liquor retailers that will be a step in the right direction).
- \* Clarify that the licensees to be covered under the liquor control act are the retailers.
- \* Add the amendment passed by the House that allows the ABC to adopt regulations for establishing a reasonable time for new employees to receive a permit.

We have enacted many penalties to curb underage purchases and drunk driving, now is the time to enact an educational component to assist in meeting these goals. Your favorable attention to and consideration of this matter will be greatly appreciated.

Senate Fed+State

R.E. "Tuck" Dungan March 24, 1994

attachment /

MAR 17 1994 State of Kansas Attach. 2



### DIVISION OF THE BUDGET

Room 152-E State Capitol Building Topeka, Kansas 66612-1504 (913) 296-2436 FAX (913) 296-0231

Joan Finney
Governor

Gloria M. Timmer Director

March 17, 1994

The Honorable Lana Oleen, Chairperson Senate Committee on Federal and State Affairs Statehouse, Room 136-N Topeka, Kansas 66612

Dear Senator Oleen:

SUBJECT: Fiscal Note for SB 826 by the Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 826 is respectfully submitted to your committee.

SB 826 would establish a training and registration program for the regulation of all persons employed by a licensee for the purpose of selling or serving alcoholic liquor or cereal malt beverages. The bill would define terms, provide for the issuance of server permits to certain qualifying persons, and establish an education program to include the effects of alcohol on the body and behavior. The bill provides for the collection of fees to finance the education program, to conduct a background record search by the Kansas Bureau of Investigation (KBI), and to finance the issuance of permits. The bill requires the adoption of rules and regulations by the Secretary of Revenue and would be effective after publication in the statute book.

Estimated State Fiscal Impact								
	FY 1994 SGF	FY 1994 All Funds	FY 1995 SGF	FY 1995 All Funds				
Revenue			\$1,238,300	\$1,238,300				
Expenditure			\$ 739,150	\$ 739,150				
FTE Pos.				3.0				

Serate Fed + State march 24, 1994 attachment 2 The Honorable Lana Oleen, Chairperson March 17, 1994
Page 2

Additional revenues would be anticipated upon passage of this act to the State General Fund from fees for permits, training expenses, and record-checks. Additional expenditures would be required to finance the record-checks by the KBI and the certification of educators and educational institutions providing the training stipulated in the act. The amount of revenues and expenditures would be dependent on the number of persons applying for permits and participating in the educational training.

The Department of Revenue indicates that 6,412 licensees would be affected by the provisions of this act. If it is assumed that liquor stores would require an average of seven persons with permits annually and other licensees would require an average of 10 persons with permits, the total persons that would apply for a permit within the first year following passage of this act would be 61,915.

If it is further assumed that expenses for training would be financed by permit applicants directly to the certified organization providing the training, additional revenues to the State General Fund would approximate \$20 per applicant. This revenue amount would finance the KBI with a record-check fee of \$10 for each of the 61,915 applicants, for a total of \$619,150. In addition, the revenue estimates would include \$10 per permit to administer the program. Thus, FY 1995 revenues would be estimated at \$1,238,300, of which half would be an expense paid to the KBI through the Record Check Fee Fund to provide the staff and support resources needed to complete the record-checks.

In FY 1996 and FY 1997, the number of persons affected by this act would be reduced as the permit would be valid for a period of three years. In subsequent fiscal years, it is anticipated that approximately one-third of permit holders would renew licenses annually and that turnover in the industry would require approximately 10,000 additional permits to be issued annually. Thus, in FY 1998 and after, approximately 30,000 permits would be issued each year. Annual revenues to the State General Fund would total \$600,000 and half this amount would finance record-checks by the KBI. It is anticipated that the permit fee would be adjusted occasionally to reflect the actual cost of the program.

The enforcement of this act would require the addition of approximately 3.0 FTE positions with the ABC Division of the Department of Revenue. These positions would ensure that licensees complied with the act and had only persons with valid permits selling or serving alcoholic or cereal malt beverages. The additional expenditures required for the additional positions and support expenses would be financed from the State General Fund at an estimated cost of \$120,000.

The Honorable Lana Oleen, Chairperson March 17, 1994
Page 3

The additional revenues of \$1,238,300 to the State General Fund and the additional expenditures of \$739,150 (\$619,150 for record checks and \$120,000 for staffing) in FY 1995 would be in addition to the amounts recommended in the FY 1995 Governor's Budget Report.

The Department of Revenue has not provided detailed amounts for revenues and expenditures of the agency which would result from the bill. If that information should be received at a later time, this fiscal note may be revised to reflect that information.

Sincerely,

Gloria M. Timmer

Director of the Budget

cc: Steve Stotts, Revenue

826.fn

HAMACH. 3

# **MEMORANDUM**

## Kansas Legislative Research Department

300 S.W. 10th Avenue Room 545-N - Statehouse Topeka, Kansas 66612-1504 Telephone (913) 296-3181 FAX (913) 296-3824

March 22, 1994

To:

Senate Committee on Federal and State Affairs

From:

Mary Galligan, Principal Analyst

Re:

Division of Simulcast Revenue in the Horse Breeding Development Fund

You asked for an analysis of how moneys in the Horse Breeding Development Fund would be distributed under different arrangements. The attached table displays those allocations as follows:

- -- existing law as interpreted by the Attorney General (Attorney General Opinion No. 93-12);
- -- existing law as interpreted in the Shawnee County district court ruling in *Orion Stables v. The Kansas Racing Commission*, (Case No. 93 CV 681);
- -- distribution based on the sum of live and simulcast races (1993 S.B. 380); and
- -- distribution equally divided between the two predominant breeds, thoroughbreds, and quarterhorses.

Please note that all of these methods of distributing these funds would require an amendment of the statute except the ones that would distribute the moneys in accordance with the district court ruling. If the Legislature chooses to amend the law, it would impact future distributions, but I do not know whether moneys that are in the fund at present could be distributed in accordance with a new formula.

Please note that the figures I have incorporated in this table are from the Racing Commission's reports by fiscal year, so do not correspond exactly with amounts reported by racing season. While the precise amounts are not those you have seen previously, the relative impact of the different methods of allocation is accurately illustrated based on races conducted in 1993.

I hope this information is useful to you. If you have any additional questions, please feel free to call.

9452.01 03/22/94/MKG

Senate Fed + State march 24, 1994 attachment 3

#### Division of Simulcast Breakage and Unclaimed Winnings As of February 28, 1994

#### Simulcast Revenue Source

	F	Y 1992		Y 1993	]	FY 1994		TOTAL
Breakage	\$	16,147	\$	196,361	\$	140,475	\$	352,983
Unclaimed winnings (outs)		0		61,269		101,550		162,819
	\$	16,147	\$	257,630	\$	242,025	\$	515,802
None of these funds have been distributed by the Commission	on pending resoluti	on of the controv	ersy regard	ing the statutory i	requirement			
The Commission's disposition of those funds for purse supp	lements and stakes	would involve 9:	5 percent of	f the total.				
							<u> </u>	TOTAL
95 Percent of Simulcast Revenue	\$	15,340	\$	244,748	\$	229,924	\$	490,012
Allocation based on the proportions of breeds participating i	n live races during	1993, the amour	nts would be	as follows (AG'	s opinion):			
								TOTAL
Thoroughbreds (70.15 percent)	\$	10,761	\$	171,691	\$	161,292	\$	343,743
Quarterhorses (29.85 percent)	\$	4,579	\$	73,057	\$	68,632	\$	146,269
Allocation based on the proportions of breeds participating i	n live and simulca	st races during 19	93, the am	ounts would be as	follows (c	ourt decision):		TOTAL
							*	TOTAL
Thoroughbreds (99.98 percent)	\$	15,337	\$	244,699	\$	229,878	\$	489,914
Quarterhorses (0.02 percent)	\$	3	\$	49	\$	46	\$	98
Allocation based on the proportions of breeds participating i	n live and simulca	st races during 19	93, the am	ounts would be as	follow (S.	В. 380):		mom . I
							<b></b>	TOTAL
Thoroughbreds (96.89 percent)	\$	14,863	\$	237,137	\$	222,773	\$	474,773
Quarterhorses (3.11 percent)	\$	477	\$	7,612	\$	7,151	\$	15,239
Divided equally between the two primary breeds.	7. •							
							·	TOTAL
Thoroughbreds (50 percent)	\$	7,670	\$	122,374	\$	114,962	\$	245,006
Quarterhorses (50 percent)	\$	7,670	\$	122,374	\$	114,962	\$	245,006

Qu 94-9466.01 03/21/94/MKG





# KANSAS RACING COMMISSION

3400 Van Buren Topeka, Kansas 66611-2228 (913) 296-5800 FAX (913) 296-0900

March 11, 1994

Honorable Lana Oleen Chair, Senate Federal and State Affairs Committee Kansas Senate State Capitol 300 SW 10th Avenue, Room 136-N Topeka, KS 66612-1504

Honorable Clyde D. Graeber Chair, House Federal and State Affairs Committee Kansas House of Representatives State Capitol 300 SW 10th Avenue, Room 115-S Topeka, KS 66612-1504

Orion Stables vs. Kansas Racing Commission, district Re: court opinion, Case No. 93 CV 681, and commission request for amendments to the racing act

#### Dear Chairs:

In a March 8, 1994 letter to each of you the Kansas Racing Commission requested an amendment to the racing act which would distribute simulcast breakage and outs to breeds of horses equal to their participation in live horse races in Kansas. commission adopted this position after receiving and considering the district court opinion in the above-captioned matter.

At a meeting on Friday, March 11, the commission discussed whether the request for amendment should include a provision that it be retroactive, thereby allowing distribution of the 1992 and 1993 funds consistent with the commission's proposed amendment. formal motion, unanimously-adopted, By this further request that the legislature commission makes consider giving the proposed amendment retroactive application.

The commission is mindful that this request comes late in the It is also mindful that legislators are frustrated with the issue and would prefer a proposal behind which the

Senate Fed + State March 24, 1994 attachment 4

Honorable Lana Oleen Honorable Clyde Graeber Page 2 March 11, 1994

different horse breed groups are united. To that end the commission has authorized Commissioner Denise Kobuszewski to meet with representatives of the groups before Tuesday's hearings on commission bills in the Senate Committee on Federal and State Affairs. The commission sincerely hopes this renewed effort will finally secure a just resolution of this issue.

Thank you for your consideration of the commission's requests.

Respectfully,

Janet A. Chubb

Executive Director

Janet a. Chubb

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CRH2836k1

## REPORTS OF STANDING COMMITTEES

MR. PRESIDENT:

Your Committee on Federal and State Affairs

Recommends that House Bill No. 2836

"AN ACT amending the Kansas parimutuel racing act; relating to simulcast races; amending K.S.A. 74-8802 and 74-8836 and repealing the existing sections."

Be amended:

On page 4, in line 16, after "elected", by inserting "in accordance with rules and regulations of the commission"; after line 31, by inserting:

"Sec. 2. K.S.A. 1993 Supp. 74-8822 is hereby amended to read as follows: 74-8822. (a) Any person who claims to be entitled to any part of a parimutuel pool conducted by an organization licensee and who fails to claim the money due such person prior to the completion of the race meeting at which the pool was formed may file with the organization licensee within 60 days after the close of the race meeting:

- (1) A verified claim on a form prescribed and furnished by the commission, setting forth such information as necessary to identify the particular pool and the amount claimed therefrom; and
- (2) a substantial portion of the parimutuel ticket upon which the claim is based, sufficient to identify: (A) The particular racetrack, race and horse or greyhound involved; (B) the amount wagered; and (C) whether the ticket was a win, place or show ticket.
- (b) Upon proper application by the claimant or by the organization licensee, the commission shall hear any disputed claim filed in accordance with subsection (a) and shall consider the proof offered in its support. Unless the claimant satisfactorily establishes the right to participate in the pool,

Senate Fed + State march 24, 1994 attachment 5 the claim shall be rejected. If the claim is allowed, the organization licensee shall pay the amount of the claim to the claimant upon order of the commission.

- (c) All unclaimed ticket proceeds from parimutuel wagering conducted by the organization licensee on live horse race meetings conducted by the licensee shall be remitted by the licensee to the commission on the 61st day after the close of each race meeting. The commission shall promptly remit any such proceeds received to the state treasurer, who shall deposit the entire amount in the state treasury and credit it to the Kansas horse breeding development fund created by K.S.A. 74-8829 and amendments thereto.
- (d) All unclaimed ticket proceeds from parimutuel wagering conducted by the organization licensee on live greyhound race meetings conducted by the licensee shall be remitted by the licensee to the commission on the 61st day after the close of each race meeting. The commission shall promptly remit any such proceeds received to the state treasurer, who shall deposit the entire amount in the state treasury and credit it to the Kansas greyhound breeding development fund created by K.S.A. 74-8831 and amendments thereto.
- (e) All unclaimed ticket proceeds from parimutuel wagering conducted by a simulcasting licensee on simulcast races displayed by the licensee shall be distributed as provided by K.S.A. 74-8836 on-the-6lst-day-after-the-end-of-the-calendar-year and amendments thereto.
- Sec. 3. K.S.A. 1993 Supp. 74-8829 is hereby amended to read as follows: 74-8829. (a) There is hereby created in the state treasury the Kansas horse breeding development fund to which moneys shall be credited as provided by this act. Expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chairperson of the commission or a person designated by the chairperson.
  - (b) Moneys credited to the Kansas horse breeding development

fund, including any moneys in the fund on March 24, 1994, and any moneys credited to the fund on or after that date, shall be apportioned into categories corresponding with the various breeds of horses which are participating in <a href="live">live</a> races conducted by organization licensees in direct proportion to <a href="each--category">each--category</a> contribution--to--the--fund the number of horses in each category participating in such live races and shall be used in each category to provide:

- (1) Purse supplements to owners of Kansas-bred horses;
- (2) stakes and awards to be paid to the owners of the winning Kansas-bred horses in certain races as determined by the commission;
- (3) a stallion award to each owner of a Kansas-registered stallion which is the sire of a Kansas-bred horse if such horse wins or wins, places or shows in any race conducted at a Kansas race meeting, but no such award shall be paid to the owner of a Kansas stallion that served outside Kansas at any time during the calendar year in which the winning Kansas-bred horse was conceived;
- (4) a breeder's award to each owner of a Kansas-registered mare which is the dam of a Kansas-bred horse if such horse wins or wins, places or shows in any race conducted at a Kansas race meeting; and
- (5) moneys for equine research through institutions of higher education under the state board of regents.";

And by renumbering sections 2 through 4 as sections 4 through 6;

On page 7, in line 29, by striking all after "race"; by striking all of lines 30 through 32; in line 33, by striking "races" and inserting ": (A) All breakage proceeds shall be remitted by the licensee to the commission not later than the 15th day of the month following the race from which the breakage is derived and the commission shall promptly remit any such proceeds received to the state treasurer, who shall deposit the entire amount in the state treasury and credit it to the Kansas

horse breeding development fund created by K.S.A. 74-8829 and amendments thereto; and (B) all unclaimed ticket proceeds shall be remitted by the licensee to the commission on the 61st day after the end of the calendar year and the commission shall promptly remit any such proceeds received to the state treasurer, who shall deposit the entire amount in the state treasury and credit it to the Kansas horse breeding development fund created by K.S.A. 74-8829 and amendments thereto";

On page 8, in line 5, by striking the comma; by striking all of lines 6 through 8; in line 9, by striking all before period and inserting ": (A) All breakage proceeds shall be remitted by the licensee to the commission not later than the day of the month following the race from which the breakage is derived and the commission shall promptly remit any such proceeds received to the state treasurer, who shall deposit the entire amount in the state treasury and credit it to the Kansas horse breeding development fund created by K.S.A. 74-8829 and amendments thereto; and (B) all unclaimed ticket proceeds shall be remitted by the licensee to the commission on the 61st day after the end of the calendar year and the commission shall promptly remit any such proceeds received to the state treasurer, who shall deposit the entire amount in the state treasury and credit it to the Kansas horse breeding development fund created by K.S.A. 74-8829 and amendments thereto";

On page 9, in line 6, by striking "simulcasting licensee" and inserting "organization licensee, facility owner licensee if any"; in line 8, by striking "question" and inserting "application"; in line 13, before "and", by inserting ", 74-8822, 74-8829";

In the title, in line 9, before the first "and", by inserting ", 74-8822, 74-8829";

And the bill be passed as amended.

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