Approved: March 14, 1995

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Senator Lana Oleen at 11:05 a.m. on February 22, 1995 in Room 254-E of the Capitol.

All members were present.

Committee staff present: Mary Galligan, Legislative Research Department

Mary Ann Torrence, Revisor of Statutes Kim Perkins, Committee Secretary

Conferees appearing before the committee:
Art Neuhedel, Executive Director of the Kansas Racing Commission

Others attending: See attached list

Sen. Oleen called for bill introductions and seeing none announced that the committee would not hold hearings on <u>SB 300</u>, concerning sprinkler systems for county historical museums. Sen. Oleen stated that upon introduction of the bill, negotiations have continued. At this time, Sen. Oleen continued, the bill will be held in committee without hearings in hope that the issue will be resolved at the local level.

Sen. Oleen announced that the committee begin working <u>SB 124</u>, concerning the racing commission, and introduced Art Neuhedel (<u>Attachment 1</u>). Art Neuhedel asked the committee to refer to a balloon which outlined the proposed changes on page 18, line 11(<u>Attachment 2</u>) and Sen. Oleen called for motion to approve the amendment. <u>Sen. Ramirez moved to approve the amendment and the motion was seconded by Sen. Tillotson. The motion passed</u>.

Sen. Oleen stated to the committee that this bill would take effect July 1, 1995 and will not affect current members of the Racing Commissions' terms. Mary Torrence stated that she thought that it would be wise to add language to the bill which specifically stated that intent. Sen. Tillotson made a motion to include clarification language and Sen. Papay seconded the motion. The motion passed.

Sen. Oleen told the members of the committee that they had information distributed which outlines the operating expenses and revenues generated by the tracks. Sen. Oleen referenced a request made in the previous hearing to increase the racing week from 7 to 8 days. The committee decided to let the current policy of the previously amended language stand.

Sen. Oleen called for further amendments to the bill. Sen. Tillotson supplied a balloon (<u>Attachment 3</u>) to the committee. Sen. Tillotson made a motion to amend the bill to read that the Governor would designate a member of the commission to sere as the commission chair. Sen. Ramirez seconded the motion. Sen. Oleen called for discussion on the bill. Sen. Vidricksen stated that this was an issue discussed by the committee when the original Parimutuel Racing Act was drafted in 1990. The committee, at that time, had made the decision to draft the bill with the Governor making the appointment of the Executive Director. Sen. Vidricksen stated, however, that he did not see a problem with the motion and that the previous vote surrounding the proposed amendment had been very close.

Sen. Vidricksen made a motion to amend the amendment so that it would be printed in the register. Sen. Ramirez seconded the motion. Sen. Oleen called for discussion and Sen. Tillotson stated that she would rather leave her amendment in its present form because the new chairperson is highly qualified and she believed that she should serve from now until July. Sen. Vidricksen withdrew his amendment and Sen. Ramirez withdrew his second.

Sen. Oleen called for further discussion on the motion made by Sen. Tillotson, and seeing none called for a vote on the motion. The motion passed.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS, Room 254-E Statehouse, at 11:00 a.m. on February 22, 1995.

Sen. Oleen called for further amendments to the bill. Sen. Tillotson made a motion to amend the bill to read that the position of the executive director of the Racing Commission would be appointed by the Governor. The motion was seconded by Sen. Papay. Sen. Oleen called for discussion on the motion. Sen. Walker asked for more information regarding any problems with the current commission or the position of the executive director which would call for an amendment to lessen their authority. Sen. Tillotson stated that there were some questions surrounding the organizational make-up of the commission and the turn-over rate of the position of the executive director. She also had concerns that the commission's attorney had recently been fired. Sen. Tillotson also stated that she believed that to align the structure of the racing commission similar to the lottery would be a good return to original policy in the Racing Act.

Sen. Vidricksen stated that he would like to know more information regarding the motion and would like to know if the office of the Governor had requested that change. Sen. Oleen indicated she had been in contact with the Governor's office on the bill but did not believe she could speak on behalf of his office. Sen. Oleen called for further discussion on the motion and seeing none, called for a vote. The motion failed.

Sen. Oleen called for further discussion on the bill and there was none. <u>Sen. Tillotson made a motion to recommend the bill as amended favorably and the motion was seconded by Sen. Gooch.</u> <u>The motion passed.</u>

Sen. Oleen called for further discussion, and seeing none, the meeting was adjourned at 11:45 a.m.

The next meeting is scheduled for February 23, 1995.

STATE OF KANSAS



KANSAS RACING COMMISSION

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

February 20, 1995
Addendum to
STATEMENT OF THE
KANSAS RACING COMMISSION
Before the Kansas Senate
Committee on Federal and State Affairs
The Honorable Senator Lana Oleen, Chair
on
SENATE BILL NO. 124
February 9, 1995

Madam Chair and Members of the Committee:

I am Art Neuhedel, executive director of the Kansas Racing Commission. Thank you for permitting me this opportunity to present the Kansas Racing Commission's proposed amendments to the Kansas parimutuel racing act, K.S.A. 74-8801, et seq., now pending before you in Senate Bill 124. When last before you we began working through a balloon of Senate Bill 124 line by line discussing the proposed amendments to the racing act that the commission to the Turning considered. had balloon previously provided to you I would like to take this opportunity to pick up where we left off discussing those suggested changes.

> Sen Fed & State 2-22-95 Attachment |

The last item taken up by the committee and approved was on page 9 of the balloon where a new Section 4 has been added amending KSA 74-8805 deleting the director of racing position from the commission's staff.

The remainder of the changes in the balloon on pages 9 through 17 merely reflect the renumbering of paragraphs and sections to accommodate the forgoing.

On page 18 of the balloon at line 11 the language "good cause" has been stricken and "reasons beyond the control of the licensee" inserted. This was done at the request of the chair in order to tighten up the the language.

Turning for a moment to subsection (4) commencing on line 36 by way of clarification it is the opinion of legal counsel to the commission that this subsection (4) allows the commissions officials, such as racing judges or stewards, to deal emergency problems on site in real time. This subsection does not conflict with the changes set forth in lines 10 and 11 as that provisions deal with after the fact determinations to be made by the commission.

The remaining changes in the balloon merely reflect the renumbering of sections.

As a point of information I would like to turn back for a moment to the amendment to K.S.A. 74-8803 on page 5 at line 22 of the balloon where the terms of racing commissioners are extended to four years. Since last we discussed this item Senate Bill No. 346 has been introduced and section 19 of that bill commencing on page 28 at line 9 also addresses the terms of commissioners. I provide this information only so that you may consider that if SB 346 is to be passed the term in that bill would also need to be extended to four years. A copy of the pertinent sections of SB 346 are attached hereto for your reference.

Madam Chair and Members of the committee:

On behalf of the commission I want to thank you for this opportunity to appear before you to discuss Senate Bill 124.

If there any questions, I would be happy to take them at this time.

Session of 1995

SENATE BILL No. 346

By Committee on Federal and State Affairs

2-20

AN ACT concerning state boards and commissions; relating to the powers, duties and functions of members thereof; relating to the terms thereof; amending K.S.A. 22-3707, 44-709, 44-1003, 74-601, 74-2433, 74-3004, 74-3201, 74-7303, 74-8709, 74-8803, 74-8903, 75-4315a and 75-4323 and K.S.A. 1994 Supp. 17-2232, 22-4519, 74-555, 74-2622, 74-4905, 74-5073, 74-8001, 74-8101, 75-2929a and 75-4221a and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) There is hereby established the confirmation oversight committee which shall have five members. Except as provided by this subsection, members of the confirmation oversight committee shall be appointed in the manner provided by senate rule for the appointment of members of standing committees of the senate. Three members shall be members of the majority party of the senate; of which, one shall be the majority leader who shall serve as chairperson of the committee. Two members shall be the minority leader who shall serve as vice-chirperson of the committee. The committee shall meet on the call of the chairperson or any three members of the committee.

(b) If a vacancy, by death or resignation, occurs in the membership of a board, commission, council, committee, authority or other governmental body and the appointment to fill such vacancy is subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto, and such vacancy occurs at a time when the legislature is not in regular or special session, the confirmation oversight committee may authorize, by a majority vote thereof, the person appointed to fill such vacancy to exercise the powers, duties and functions of the office until such appointment is confirmed by the senate in the manner provided by K.S.A. 75-4315b, and amendments thereto, at the next regular or special session of the legislature.

Prior to authorizing any person to exercise the powers, duties and functions of an office pursuant to subsection (a), the confirmation oversight committee may require such person to appear before the committee.

(c) (1) If the confirmation oversight committee authorizes a person

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appointed to fill a vacancy to exercise the powers, duties and functions of an office as provided by subsection (a), such person shall not be subject to confirmation by the senate if at the time of such person's appointment there is less than six months in the unexpired term of such.

(2) The provisions of this subsection shall not apply to appointments

to the state board of regents.

Sec. 2. K.S.A. 1994 Supp. 17-2232 is hereby amended to read as follows: 17-2232. (a) The governor shall appoint a seven-member credit union council. Each member shall be a resident of Kansas. Except as provided by subsection (b), appointments to the council shall be for terms of three years. Persons appointed to the council shall be subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. Five of the persons appointed shall be members in good standing and officers of Kansas state chartered credit unions. Subject to the provisions of K.S.A. 1994 Supp. 75-4315c, and amendments thereto, of those five members, the governor shall appoint one from each congressional district and the remainder from the state at large. The council shall elect annually a chairperson, a vice-chairperson and a secretary for a term of one year or until their successors have been appointed and qualified. All members of the council shall serve until their successors have been appointed and qualified. Kansas state chartered credit unions regulated under the provisions of this act may submit annually to the governor, for consideration in making appointments to the credit union council, a list of persons having the prescribed qualifications for membership on the council. The council may adopt such rules and regulations governing the compilation of such list as may be necessary. Vacancies on the council shall be filled for the unexpired term by appointment by the governor. No person shall serve more than two consecutive terms as a member of the council. No more than four members of the council shall be from the same political party.

(b) The terms of members who are serving on the council on the effective date of this act shall expire on March 15, of the year in which such member's term would have expired under the provisions of this section prior to amendment by this act. Thereafter, members shall be appointed for terms of three years and until their successors are appointed and

36 qualified.

(b) (c) Council meetings shall be on call of a majority of the council or the chairperson. The council shall hold one regular meeting during each quarter of the year, upon such dates and at such places as designated by the council, and may hold such other meetings as the council considers necessary. The majority of the council shall constitute a quorum for doing business. The council may adopt such rules as advisable for conducting business and, until otherwise changed or modified, the council shall abide

- (f) (g) Major procurements recommended by the executive directorshall be subject to the approval of the commission.
 - $\frac{\langle g \rangle}{\langle h \rangle}$ The commission may enter into written agreements with one or more other states or corporations made up of representatives of one or more other states' lotteries and participate in the operation, marketing and promotion of a joint lottery or joint lottery games, conforming to the provisions of this act, which agreements shall not be subject to the provisions of K.S.A. 75-3738 through 75-3744, and amendments thereto.
- (h) (i) Members of the commission attending meetings of the commission or subcommittee meetings thereof approved by the commission shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223 and amendments thereto. In addition, the chairperson of the commission, or the member of the commission designated by the chairperson to serve on a procurement negotiating committee, shall be paid amounts equal to amounts provided by K.S.A. 75-3223 and amendments thereto for compensation, subsistence allowances, mileage and other expenses for attendance at meetings of a procurement negotiating committee pursuant to K.S.A. 74-8705 and amendments thereto.
- Sec. 19. K.S.A. 74-8803 is hereby amended to read as follows: 74-8803. (a) There is hereby created the Kansas racing commission, consisting of five members who shall be appointed by the governor, subject to confirmation by the senate as provided by K.S.A. 75-4315b and amendments thereto. Except as provided by section 1, no person appointed to the commission shall exercise any power, duty or function as a member of the commission until confirmed by the senate.
- (b) The members of the commission shall meet the following qualifications:
- (1) Each member shall be a citizen of the United States and an actual resident of Kansas at the time of appointment and during such member's term of office with the commission;
- (2) each member shall have been a resident of Kansas for a continuous period of not less than five years immediately preceding appointment to the commission; and
- (3) no member shall have been convicted of a felony under the laws of any state or of the United States at any time prior to appointment or during such member's term of office with the commission.
- (c) The governor shall make appointments to the commission in such a manner that:
- (1) Not more than three members belong to the same political party at the time of appointment and during their terms of office with the commission; and
 - (2) subject to the provisions of K.S.A. 1992 1994 Supp. 75-4315c, and

amendments thereto, each congressional district has at least one member residing in such district at the time of appointment.

(d) Of the members first appointed to the commission, the governor shall designate one whose term shall expire June 30, 1988; two whose terms shall expire June 30, 1989; and two whose terms shall expire June 30, 1990. After the expiration of such initial terms Except as provided by subsection (e), each member shall be appointed for a term of three years and until a successor is appointed and qualified confirmed.

(e) The terms of members who are serving on the commission on the effective date of this act shall expire on January 15, of the year in which such member's term would have expired under the provisions of this section prior to amendment by this act. Thereafter, members shall be appointed for terms of three years and until their successors are appointed and confirmed.

(e) (f) A vacancy on the commission shall be filled for the unexpired term by appointment by the governor.

(f) (g) The commission shall meet at such times and places within this state as the chairperson or a majority of the commission members determines. A majority of the members shall constitute a quorum for the conduct of commission business.

(g) (h) The members of the commission annually shall elect a chair-person, vice-chairperson and secretary from the membership of the commission. No member of the commission shall serve more than two consecutive terms as the chairperson.

(h) (i) Members of the commission shall receive such compensation as determined by the governor, subject to the limitations of appropriations therefor, and, when attending meetings of the commission, or a subcommittee meeting thereof approved by the commission, shall be paid subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223 and amendments thereto.

Sec. 20. K.S.A. 74-8903 is hereby amended to read as follows: 74-8903. (a) There is hereby created, with such duties and powers as are hereinafter set forth to carry out the provisions of this act, a public body politic and corporate, with corporate succession, to be an independent instrumentality of this state exercising essential public functions, and to be known as the Kansas development finance authority.

(b) The board of directors of the authority shall consist of the secretary of the department of commerce and four members to be appointed by the governor. Not less than three members of such board shall be representative of the general public and not more than three members shall be members of the same political party.

The governor shall appoint, subject to confirmation by the senate as provided in K.S.A. 75-4315b and amendments thereto, two public mem-

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SENATE BILL No. 124

By Committee on Federal and State Affairs

1-26

AN ACT amending the Kansas parimutuel racing act; amending K.S.A. 74-8803 and K.S.A. 1994 Supp. 21-3612, 38-1502, 38-1602, 74-8802, 74-8804, 74-8810, 74-8818 and 74-8836 and repealing the existing sections.

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14 Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1994 Supp. 74-8802 is hereby amended to read as follows: 74-8802. As used in this act unless the context otherwise requires:

- (a) "Breakage" means the odd cents by which the amount payable on each dollar wagered exceeds:
- (1) A multiple of \$.10, for parimutuel pools from races conducted in this state; and
- (2) a multiple of such other number of cents as provided by law of the host jurisdiction, for interstate combined wagering pools.
- (b) "Commission" means the Kansas racing commission created by this act.
- (c) "Concessionaire licensee" means a person, partnership, corporation or association licensed by the commission to utilize a space or privilege within a racetrack facility to sell goods.
- (d) "Dual racetrack facility" means a racetrack facility for the racing of both horses and greyhounds or two immediately adjacent racetrack facilities, owned by the same licensee, one for racing horses and one for racing greyhounds.
- (e) "Executive director" means the executive director of the commission.
- (f) "Facility manager licensee" means a person, partnership, corporation or association licensed by the commission and having a contract with an organization licensee to manage a racetrack facility.
- (g) "Facility owner licensee" means a person, partnership, corporation or association, or the state of Kansas or any political subdivision thereof, licensed by the commission to construct or own a racetrack facility but does not mean an organization licensee which owns the racetrack facility in which it conducts horse or greyhound racing.
- (h) "Fair association" means an association organized pursuant to K.S.A. 2-125 et seq. and amendments thereto or a nonprofit association

Sen. FedeState 2-22-95 Attachment2

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determined by the commission to be otherwise organized to conduct fair activities pursuant to findings of fact entered by the commission in a license order.

(i) "Financial interest" means an interest that could result directly or indirectly in receiving a pecuniary gain or sustaining a pecuniary loss as a result of ownership or interest in a business entity or activity or as a result of a salary, gratuity or other compensation or remuneration from any person.

"Greyhound" means any greyhound breed of dog properly regis-

tered with the national greyhound association of Abilene, Kansas.

- "Horsemen's association" means any association or corporation:
- All officers, directors, members and shareholders of which are licensed owners of horses or licensed trainers of horses, or both;
- which is applying for or has been issued a facility owner license authorizing ownership of Eureka Downs, Anthony Downs or a racetrack facility on or adjacent to premises used by a fair association to conduct fair activities; and
- none of the officers, directors, members or shareholders of which holds another facility owner license or is an officer, director, member or shareholder of another facility owner licensee.
- "Horsemen's nonprofit organization" means any nonprofit organization:
- (1) All officers, directors, members or shareholders of which are licensed owners of horses or licensed trainers of horses, or both; and
- which is applying for or has been issued an organization license authorizing the conduct of horse races at Eureka Downs, Anthony Downs or a racetrack facility on or adjacent to premises used by a fair association to conduct fair activities.
- "Host facility" means the racetrack at which the race is run or, if the race is run in a jurisdiction which is not participating in the interstate combined wagering pool, the racetrack or other facility which is designated as the host facility.
- (n) "Host jurisdiction" means the jurisdiction where the host facility is located.
- (o) "Interstate combined wagering pool" means a parimutuel pool established in one jurisdiction which is combined with comparable parimutuel pools from one or more racing jurisdictions for the purpose of establishing the amount of money returned on a successful wager in the participating jurisdictions.
- (p) "Intertrack wagering" means wagering on a simulcast race at a licensed racetrack facility or at a facility which is licensed in its racing jurisdiction to conduct live races.
 - (q) "Intrastate combined wagering pool" means a parimutuel pool

which is combined with comparable parimutuel pools from one or more racetrack facilities for the purpose of establishing the amount of money returned on a successful wager at the participating racetrack facilities.

- (r) "Kansas-whelped greyhound" means a greyhound whelped and raised in Kansas for the first six months of its life.
- (s) "Minus pool" means a parimutuel pool in which, after deducting the takeout, not enough money remains in the pool to pay the legally prescribed minimum return to those placing winning wagers, and in which the organization licensee would be required to pay the remaining amount due.
 - (t) "Nonprofit organization" means:
- (1) A corporation which is incorporated in Kansas as a not-for-profit corporation pursuant to the Kansas general corporation code and the net earnings of which do not inure to the benefit of any shareholder, individual member or person; or
 - (2) a fair association.
- (u) "Occupation licensee" means a person licensed by the commission to perform an occupation or provide services which the commission has identified as requiring a license pursuant to this act.
- (v) "Off-track wagering" means wagering on a simulcast race at a facility which is not licensed in its jurisdiction to conduct live races.
- (w) "Organization licensee" means a nonprofit organization licensed by the commission to conduct races pursuant to this act and, if the license so provides, to construct or own a racetrack facility.
- (x) "Parimutuel pool" means the total money wagered by individuals on one or more horses or greyhounds in a particular horse or greyhound race to win, place or show, or combinations thereof, as established by the commission, and, except in the case of an interstate or intrastate combined wagering pool, held by the organization licensee pursuant to the parimutuel system of wagering. There is a separate parimutuel pool for win, for place, for show and for each of the other forms of betting provided for by the rules and regulations of the commission.
- (y) "Parimutuel wagering" means a form of wagering on the outcome of horse and greyhound races in which those who wager purchase tickets of various denominations on one or more horses or greyhounds and all wagers for each race are pooled and the winning ticket holders are paid prizes from such pool in amounts proportional to the total receipts in the pool.
- (z) "Race meeting" means the entire period of time for which an organization licensee has been approved by the commission to hold live or simulcast horse or greyhound races at which parimutuel wagering is conducted, including such additional time as designated by the commission for the conduct of official business before and after the races.

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(aa) "Racetrack facility" means a racetrack within Kansas used for the racing of horses or greyhounds, or both, including the track surface, grandstands, clubhouse, all animal housing and handling areas, other areas in which a person may enter only upon payment of an admission fee or upon presentation of authorized credentials and such additional areas as designated by the commission.

(bb) "Racing jurisdiction" or "jurisdiction" means a governmental authority which is responsible for the regulation of live or simulcast racing

in its jurisdiction.

(cc) "Racing or wagering equipment or services licensee" means any person, partnership, corporation or association licensed by the commission to provide integral racing or wagering equipment or services, as designated by the commission, to an organization licensee.

(dd) "Racing week" means a seven-day period beginning and ending

14 (dd) "Racing week means a seven-day period beginn 15 as prescribed by rules and regulations of the commission.

(ee) "Recognized greyhound owners' group" means the duly recognized group elected in accordance with rules and regulations of the commission by a majority of the Kansas licensed greyhound owners at the racetrack facility voting in the election. The commission may designate an organization such as the national greyhound association of Abilene, Kansas, to conduct the election.

(ee) (ff) "Recognized horsemen's group" means the duly recognized group, representing the breeds of horses running at a racetrack facility, elected in accordance with rules and regulations of the commission by a majority of the licensed owners and trainers at the racetrack facility voting in the election. If the licensee does not have a recognized horsemen's group, the commission shall designate as the recognized horsemen's group one that serves another organization licensee, but not one that

serves a fair association organization licensee.

(ff) (gg) "Simulcast" means a live audio-visual broadcast of an actual

horse or greyhound race at the time it is run.

(gg)(hh) "Takeout" means the total amount of money withheld from each parimutuel pool for the payment of purses, taxes and the share to be kept by the organization licensee. Takeout does not include the breakage. The balance of each pool less the breakage is distributed to the holders of winning parimutuel tickets.

Sec. 2. K.S.A. 74-8803 is hereby amended to read as follows: 74-8803. (a) There is hereby created the Kansas racing commission, consisting of five members who shall be appointed by the governor, subject to confirmation by the senate as provided by K.S.A. 75-4315b and amendments thereto.

(b) The members of the commission shall meet the following quali-

43 fications:

- (1) Each member shall be a citizen of the United States and an actual resident of Kansas at the time of appointment and during such member's term of office with the commission;
- (2) each member shall have been a resident of Kansas for a continuous period of not less than five years immediately preceding appointment to the commission; and
- (3) no member shall have been convicted of a felony under the laws of any state or of the United States at any time prior to appointment or during such member's term of office with the commission.

(c) The governor shall make appointments to the commission in such a manner that:

(1) Not more than three members belong to the same political party at the time of appointment and during their terms of office with the

commission; and
(2) subject to the provisions of K.S.A. 1992 Supp. 75-4315c, each congressional district has at least one member residing in such district at the time of appointment.

(d) Of the members first appointed to the commission, the governor shall designate one whose term shall expire June 30, 1088; two whose terms shall expire June 30, 1089; and two whose terms shall expire June 30, 1000. After the expiration of such initial terms, Each member shall be appointed serve for a term of three four years and until a successor is appointed and qualified.

(e) A vacancy on the commission shall be filled for the unexpired term

by appointment by the governor.

(f) The commission shall meet at such times and places within this state as the chairperson or a majority of the commission members determines. A majority of the members shall constitute a quorum for the conduct of commission business.

(g) The members of the commission annually shall elect a chairperson, vice-chairperson and secretary from the membership of the commission. No member of the commission shall serve more than two consecutive terms as the chairperson.

- (h) Members of the commission shall receive such compensation as determined by the governor, subject to the limitations of appropriations therefor, and, when attending meetings of the commission, or a subcommittee meeting thereof approved by the commission, shall be paid subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223 and amendments thereto.
- Sec. 3. K.S.A. 1994 Supp. 74-8804 is hereby amended to read as follows: 74-8804. (a) During race meetings, the commission and its designated employees may observe and inspect all racetrack facilities operated by licensees and all racetracks simulcasting races to racetrack facil-

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ities in Kansas, including but not limited to all machines, equipment and facilities used for parimutuel wagering.

(b) Commission members and hearing officers designated by the commission may administer oaths and take depositions to the same extent and subject to the same limitations as would apply if the deposition was in aid of a civil action in the district court.

(c) The commission may examine, or cause to be examined by any agent or representative designated by the commission, any books, papers, records or memoranda of any licensee, or of any racetrack or business involved in simulcasting races to racetrack facilities in Kansas, for the purpose of ascertaining compliance with any provision of this act or any rule and regulation adopted hereunder.

(d) The commission may issue subpoenas to compel access to or for the production of any books, papers, records or memoranda in the custody or control of any licensee or officer, member, employee or agent of any licensee, or to compel the appearance of any licensee or officer, member, employee or agent of any licensee, or of any racetrack or business involved in simulcasting races to racetrack facilities in this state, for the purpose of ascertaining compliance with any of the provisions of this act or any rule and regulation adopted hereunder. Subpoenas issued pursuant to this subsection may be served upon individuals and corporations in the same manner provided in K.S.A. 60-304 and amendments thereto for the service of process by any officer authorized to serve subpoenas in civil actions or by the commission or an agent or representative designated by the commission. In the case of the refusal of any person to comply with any such subpoena, the executive director may make application to the district court of any county where such books, papers, records, memoranda or person is located for an order to comply.

(e) The commission shall allocate equitably race meeting dates, racing days and hours to all organization licensees and assign such dates and hours so as to minimize conflicting dates and hours within the same geographic market area.

(f) The commission shall have the authority, after notice and an opportunity for hearing in accordance with rules and regulations adopted by the commission, to exclude, or cause to be expelled, from any race meeting or racetrack facility, or to prohibit a licensee from conducting business with any person:

(1) Who has violated the provisions of this act or any rule and regulation or order of the commission;

(2) who has been convicted of a violation of the racing or gambling laws of this or any other state or of the United States or has been adjudicated of committing as a juvenile an act which, if committed by an adult, would constitute such a violation; or

- (3) whose presence, in the opinion of the commission, reflects adversely on the honesty and integrity of horse or greyhound racing or interferes with the orderly conduct of a race meeting.
- (g) The commission shall review and approve all proposed construction and major renovations to racetrack facilities owned or leased by licensees.
- (h) The commission shall review and approve all proposed contracts with racetracks or businesses involved in simulcasting races to racetrack facilities in Kansas.
- (i) The commission may suspend a horse or greyhound from participation in races if such horse or greyhound has been involved in any violation of the provisions of this act or any rule and regulation or order of the commission.
- (j) The commission, within 72 hours after any action taken by a steward or racing judge and upon appeal by any interested party or upon its own initiative, may overrule any decision of a steward or racing judge, other than a decision regarding disqualifications for interference during the running of a race, if the preponderance of evidence indicates that:
 - (1) The steward or racing judge mistakenly interpreted the law;
 - (2) new evidence of a convincing nature is produced; or
 - (3) the best interests of racing and the state may be better served.

A decision of the commission to overrule any decision of a steward or racing judge shall not change the distribution of parimutual pools to the holders of winning tickets. A decision of the commission which would affect the distribution of purses in any race shall not result in a change in that distribution unless a written claim is submitted to the commission within 48 hours after completion of the contested race by one of the owners or trainers of a horse or greyhound which participated in such race and a preponderance of evidence clearly indicates to the commission that one or more of the grounds for protest, as provided for in rules and regulations of the commission, has been substantiated.

(k) The commission, after notice and a hearing in accordance with rules and regulations adopted by the commission, may impose a civil fine not exceeding \$5,000 for each violation of any provision of this act, or any rule and regulation of the commission, for which no other penalty is provided.

(l) The commission shall adopt rules and regulations specifying and regulating:

(1) Those drugs and medications which may be administered, and possessed for administration, to a horse or greyhound within the confines of a racetrack facility; and

(2) that equipment for administering drugs or medications to horses or greyhounds which may be possessed within the confines of a racetrack

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(m) The commission may adopt rules and regulations providing for the testing of any licensees of the commission, and any officers, directors and employees thereof, to determine whether they are users of any controlled substances.

(n) The commission may shall require fingerprinting of all persons necessary to verify qualification for any license, including a simulcasting license, issued pursuant to this act. The commission shall submit such fingerprints to the Kansas bureau of investigation and to the federal bureau of investigation for the purposes of verifying the identity of such persons and obtaining records of criminal arrests and convictions.

(o) The commission may receive from commission security personnel, the Kansas bureau of investigation or other criminal justice agencies such criminal history record information (including arrest and nonconviction data), criminal intelligence information and information relating to criminal and background investigations as necessary for the purpose of determining qualifications of licensees of the commission, employees of the commission, applicants for employment by the commission, and applicants for licensure by the commission, including applicants for simulcasting licenses. Upon the written request of the chairperson of the commission, the commission may receive from the district courts such information relating to juvenile proceedings as necessary for the purpose of determining qualifications of licensees of and applicants for licensure by the commission. Such information, other than conviction data, shall be confidential and shall not be disclosed except to members and employees of the commission as necessary to determine qualifications of such licensees and applicants. Any other disclosure of such confidential information is a class A misdemeanor and shall constitute grounds for removal from office, termination of employment or denial, revocation or suspension of any license issued under this act.

(p) The commission, in accordance with K.S.A. 75-4319 and amendments thereto, may recess for a closed or executive meeting to receive and discuss information received by the commission pursuant to subsection (o) and to negotiate with licensees of or applicants for licensure by the commission regarding any such information.

(q) The commission shall adopt such rules and regulations as necessary to implement and enforce the provisions of this act.

Sec. 4. K.S.A. 1994 Supp. 74-8805 is hereby amended to read as follows:

74.8805. Executive director and other personnel of commission. (2) (1) The commission shall appoint, subject to confirmation by the senate as provided by K.S.A. 75-4315b and amendments thereto, an executive director of the commission, to serve at the pleasure of the commission.

(2) The executive director shall: (A) Be in the unclassified service under the Kansas civil service act; (B) devote full time to the executive director's assigned duties; (C) receive such compensation as determined by the commission, subject to the limitations of appropriations therefor; (D) be a citizen of the United States and an actual resident of Kansas during employment by the commission; (E) not have been convicted of a felony under the laws of any state or of the United States prior to

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or during employment by the commission; and (F) have familiarity with the horse and dos racing industries sufficient to fulfill the duties of the office of executive director.

(3) The executive director shall: (A) Recommend to the commission the number and qualifications of employees necessary to imple. ment and enforce the provisions of this act; (B employ persons for those positions approved by the commission, subject to the limitationof appropriations therefor: and (C) perform such other duties as directed by the commission.

(b) (1) The executive director shall appoin an inspector of parimutuels to serve at the pleasure of the executive director.

(2) The inspector of parimutuels shall: (A Be in the unclassified service under the Kansacivil service act; (B) devote full time to the inspector's assigned duties; (C) receive sucl compensation as determined by the executive director, subject to the limitations of appropriations therefor; (D) be a citizen of the United States and an actual resident of Kansa: during employment as inspector of parimutuels; and (E) not have been convicted of a sclony under the laws of any state or of the United States prior to or during employment by the commission.

(3) The inspector of parimutuels shall: (A) Inspect and audit the conduct of parimutue. wagering by organization licensees, including the equipment and facilities used and procedures followed; (B) train and supervise such personnel as employed by the executive director to assist with such duties; and (C) perform such other duties as directed by the

executive director.

(c) (I) The executive director shall appoint a director of security to serve at the pleasure of the executive director.

(2) The director of security shall: (A) Be in the unclassified service under the Kansas civil service act; (B) devote full time to the security director's assigned duties; (C) receive such compensation as determined by the executive director, subject to the limitations of appropriations therefor; (D) be a citizen of the United States and an actual resident of Kansas during employment as director of security; (E) not have been convicted of a felony under the laws of any state or of the United States prior to or during employment by the commission; and (F) be a professional law enforcement officer with a minimum of five years' experience in the field of law enforcement and at least a

bachelor's degree in law enforcement administration, law, criminology or a related science or, in lieu thereof, a minimum of 10 years' experience in the field of law enforcement.

(3). The director of security shall: (A) Conduct investigations relating to compliance with the provisions of this act and rules and regulations of the commission; (B) recommend proper security measures to organization licensees; (C) train and supervise such personnel as employed by the executive director to assist with such duties; and (D) perform such other duties as directed by the executive director.

-(d)-(1) - The executive director-may appoint a director of racing-operations to serve at the

pleasure of the executive director.

(2)—The director of racing operations—shall:
(A)—Be in the unclassified—service under—the Kansas civil service act; (B) devote full time to the director's assigned duties; (C) receive such compensation as determined by the executive director—subject—to the limitations—of appropriations—therefor, (D)—be—a—citizen—of—the United States—and—an—actual—resident—of Kansas during—employment—as—director—of—racing—operations; (E)—not have been—convicted—of—a—felony—under—the—laws—of—any—state—or—of—the United States—prior—to—or—during—employment by—the—commission, and (F) have—a minimum of—10—years—experience—in—racing—operations.

(3) - The director of racing operations shall:

(A) Supervise racing operations, including stewards and racing judges; (B) be responsible for training and education of stewards and racing judges; (C) advise the commission on necessary or desirable changes in rules and regulations relating to conduct of races; (D) train and supervise such personnel as employed by the executive director to assist with such duties; and (E) perform such other duties as directed by the executive director.

(d)—(e) The commission may appoint an advisory committee of persons knowledgeable in the horse and greyhound breeding and racing industries to provide information and recommendations to the commission regarding the administration of this act. Members of such advisory committee shall serve without compensation or reimbursement of expenses.

(e)—(f) Except as otherwise provided by this act, all employees of the commission shall be in the classified service under the Kansas civil service act.

5. Sec. 4.— K.S.A. 1994 Supp. 74-8810 is hereby amended to read as follows: 74-8810. (a) It is a class A nonperson misdemeanor for any person to have a financial interest, directly or indirectly, in any racetrack facility within the state of Kansas or in any host facility for a simulcast race displayed in this state:

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five years immediately following such person's term as member of the commission; or

while such person is an officer, director or member of an organization licensee, other than a fair association or horsemen's nonprofit organization, or during the five years immediately following the time such person is an officer, director or member of such an organization licensee.

(b) It is a class A nonperson misdemeanor for any member, employee or appointee of the commission, including stewards and racing judges, to

knowingly:

(1) Participate in the operation of or have a financial interest in any business which has been issued a concessionaire license, racing or wagering equipment or services license, facility owner license or facility manager license, or any business which sells goods or services to an organization licensee;

(2) participate directly or indirectly as an owner, owner-trainer or trainer of a horse or greyhound, or as a jockey of a horse, entered in a

live race meeting conducted in this state;

place a wager on an entry in a horse or greyhound race conducted

by an organization licensee; or

- (4) accept any compensation, gift, loan, entertainment, favor or service from any licensee, except such suitable facilities and services within a racetrack facility operated by an organization licensee as may be required to facilitate the performance of the member's, employee's or appointee's official duties.
- (c) It is a class A nonperson misdemeanor for any member of the commission or the executive director to participate directly or indirectly as an owner, owner-trainer or trainer of a horse or greyhound, or as a jockey of a horse, entered in a simulcast race meeting displayed in this state.
- (d) It is a class A nonperson misdemeanor for any member, employee or appointee of the commission, or any spouse, parent, grandparent, brother, sister, child, grandchild, uncle, aunt, parent-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law thereof, to:

(1) Hold any license issued by the commission, except that a steward or racing judge shall hold an occupation license to be such a steward or

judge; or

(2) enter into any business dealing, venture or contract with an owner

or lessee of a racetrack facility in Kansas. (d) (e) It is a class A nonperson misdemeanor for any officer, director or member of an organization licensee, other than a fair association or horsemen's nonprofit organization, to:

(1) Receive, for duties performed as an officer or director of such licensee, any compensation or reimbursement or payment of expenses in

excess of the amounts provided by K.S.A. 75-3223 and amendments thereto for board members' compensation, mileage and expenses; or

- (2) enter into any business dealing, venture or contract with the organization licensee or, other than in the capacity of an officer or director of the organization licensee, with a facility owner licensee, facility manager licensee, racing or wagering equipment or services license or concessionaire licensee, or with any host facility for a simulcast race displayed in this state.
- (e) (f) It is a class A nonperson misdemeanor for any facility owner licensee or facility manager licensee, other than a horsemen's association, or any officer, director, employee, stockholder or shareholder thereof or any person having an ownership interest therein, to participate directly or indirectly as an owner, owner-trainer or trainer of a horse or grey-hound, or as a jockey of a horse, entered in a live race conducted in this state.
- (f) (g) It is a class A nonperson misdemeanor for any licensee of the commission, or any person who is an officer, director, member or employee of a licensee, to place a wager at a racetrack facility located in Kansas on an entry in a horse or greyhound race if:
- (1) The commission has by rules and regulations designated such person's position as a position which could influence the outcome of such race or the parimutuel wagering thereon; and
- (2) such race is conducted at or simulcast to the racetrack facility where the licensee is authorized to engage in licensed activities.
- $\frac{g}{h}$ (h) It is a class B nonperson misdemeanor for any person to use any animal or fowl in the training or racing of racing greyhounds.
 - $\frac{h}{i}$ (i) It is a class A nonperson misdemeanor for any person to:
- (1) Sell a parimutuel ticket or an interest in such a ticket to a person knowing such person to be under 18 years of age, upon conviction of the first offense;
- (2) accept, transmit or deliver, from a person outside a racetrack facility, anything of value to be wagered in any parimutuel system of wagering within a racetrack facility, upon conviction of the first offense;
- (3) administer or conspire to administer any drug or medication to a horse or greyhound within the confines of a racetrack facility in violation of rules and regulations of the commission, upon conviction of the first offense;
- (4) possess or conspire to possess, within the confines of a racetrack facility, any drug or medication for administration to a horse or greyhound in violation of rules and regulations of the commission, upon conviction of the first offense;
- (5) possess or conspire to possess, within the confines of a racetrack facility, equipment for administering drugs or medications to horses or

greyhounds in violation of rules and regulations of the commission, upon conviction of the first offense;

- (6) enter any horse or greyhound in any race knowing such horse or greyhound to be ineligible to compete in such race pursuant to K.S.A. 74-8812 and amendments thereto; or
- (7) prepare or cause to be prepared an application for registration of a horse pursuant to K.S.A. 74-8830 and amendments thereto knowing that such application contains false information.
 - (i) (j) It is a severity level 8, nonperson felony for any person to:
- (1) Sell a parimutuel ticket or an interest in such a ticket to a person knowing such person to be under 18 years of age, upon conviction of the second or a subsequent offense;
- (2) accept, transmit or deliver, from any person outside a racetrack facility, anything of value to be wagered in any parimutuel system of wagering within a racetrack facility, upon the second or a subsequent conviction;
- (3) conduct or assist in the conduct of a horse or greyhound race, or the display of a simulcast race, where the parimutuel system of wagering is used or is intended to be used and where no license has been issued to an organization to conduct or simulcast such race;
- (4) enter any horse or greyhound in any race conducted by an organization licensee knowing that the class or grade in which such horse or greyhound is entered is not the true class or grade or knowing that the name under which such horse or greyhound is entered is not the name under which such horse or greyhound has been registered and has publicly performed;
- (5) use or conspire to use any device, other than an ordinary whip for horses or a mechanical lure for greyhounds, for the purpose of affecting the speed of any horse or greyhound at any time during a race conducted by an organization licensee;
- (6) possess or conspire to possess, within the confines of a racetrack facility, any device, other than an ordinary whip for horses or a mechanical lure for greyhounds, designed or intended to affect the speed of a horse or greyhound;
- (7) administer or conspire to administer any drug or medication to a horse or greyhound within the confines of a racetrack facility in violation of rules and regulations of the commission, upon conviction of the second or a subsequent offense;
- (8) possess or conspire to possess, within the confines of a racetrack facility, any drug or medication for administration to a horse or greyhound in violation of rules and regulations of the commission, upon conviction of the second or a subsequent offense;
 - (9) possess or conspire to possess, within the confines of a racetrack

facility, equipment for administering drugs or medications to horses or greyhounds in violation of rules and regulations of the commission, upon conviction of the second or a subsequent offense;

(10) sponge the nostrils or windpipe of a horse for the purpose of stimulating or depressing such horse or affecting its speed at any time during a race meeting conducted by an organization licensee;

(11) alter or attempt to alter the natural outcome of any race conducted by, or any simulcast race displayed by, an organization licensee or transmit or receive an altered race or delayed broadcast race if parimutuel wagering is conducted or solicited after off time of the race;

(12) influence or attempt to influence, by the payment or promise of payment of money or other valuable consideration, any person to alter the natural outcome of any race conducted by, or any simulcast race displayed by, an organization licensee;

(13) influence or attempt to influence any member, employee or appointee of the commission, by the payment or promise of payment of money or other valuable consideration, in the performance of any official duty of that member, employee or appointee;

(14) fail to report to the commission or to one of its employees or appointees knowledge of any violation of this act by another person for the purpose of stimulating or depressing any horse or greyhound, or affecting its speed, at any time during any race conducted by an organization licensee;

(15) commit any of the following acts with respect to the prior racing record, pedigree, identity or ownership of a registered horse or greyhound in any matter related to the breeding, buying, selling or racing of the animal: (A) Falsify, conceal or cover up, by any trick, scheme or device, a material fact; (B) make any false, fictitious or fraudulent statement or representation; or (C) make or use any false writing or document knowing that it contains any false, fictitious or fraudulent statement or entry; or

(16) pass or attempt to pass, cash or attempt to cash any altered or forged parimutuel ticket knowing it to have been altered or forged.

 $\frac{(j)}{(k)}$ No person less than 18 years of age shall purchase a parimutuel ticket or an interest in such a ticket. Any person violating this subsection shall be subject to adjudication as a juvenile offender pursuant to the Kansas juvenile offenders code.

Sec. 5. K.S.A. 1994 Supp. 74-8818 is hereby amended to read as follows: 74-8818. (a) The commission shall appoint at least three individuals to serve as full time stewards or racing judges at each horse or greyhound race meeting, but no more than three judges or stewards shall be on duty at any one time at any racing performance. One shall be designated as the chief steward or chief racing judge and the other two as associate stewards or associate racing judges. Such stewards and racing

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judges shall be employees of the commission who shall serve at the pleasure of the commission under the supervision of the executive director and shall be in the unclassified service under the Kansas civil service act. The commission also may contract with individuals to serve as stewards or racing judges as needed in the absence of a full-time steward or racing judge. The compensation of the stewards and racing judges shall be an amount fixed by the commission and shall be paid by the commission. The commission may require an organization licensee to reimburse the commission for compensation paid to the stewards and racing judges for their services performed at race meetings conducted by that organization licensee. Any moneys received by the commission for that purpose shall be remitted promptly by the commission to the state treasurer, who shall deposit the entire amount in the state treasury and credit it to the racing reimbursable expense fund created by K.S.A. 74-8827 and amendments thereto. All other racing officials at a race meeting shall be approved by the commission and compensated by the organization licensee. The stewards, racing judges and other racing officials shall enforce the civil provisions of this act and any rules and regulations of the commission and shall submit written reports of the activities and conduct of the race meetings to the commission.

- (b) Except in the case of an otherwise qualified employee of the commission serving as a racing judge or steward on a temporary basis, each steward or racing judge shall be required to obtain an occupation license from the commission pursuant to K.S.A. 74-8816 and amendments thereto prior to performing any duties as a steward or a judge.
- (c) The commission shall require each applicant for a license as a steward or racing judge to pass an examination on matters relating to the duties of stewards or racing judges unless the applicant submits proof satisfactory to the commission that the applicant has passed an examination in another jurisdiction which the commission finds equivalent to the examination given by the commission. Examinations shall be held at such times and places as determined by the commission. Notice of the times and places of the examinations shall be given as determined by the commission. The commission shall prepare both written and oral examinations to be taken by persons applying for licensure as stewards or racing judges, requesting and taking into consideration suggestions from representatives of horsemen and horsewomen, greyhound owners, organization licensees, stewards, racing judges and other interested and knowledgeable parties as to the content thereof.
 - (d) The commission may examine any person who:
- (1) Has not been convicted of a crime involving moral turpitude or of a felony;
 - (2) has completed an accredited senior high school or its equivalent;

- (3) has been given a physical examination by a licensed physician within 60 days prior to the date of application for the steward's or racing judge's examination, indicating at least 20/20 vision or vision corrected to at least 20/20, and normal hearing ability;
- (4) has: (A) At least five years' experience in the horse or greyhound racing industry as a licensed trainer or jockey; (B) at least 10 years' experience in the horse or greyhound racing industry as a licensed owner whose experience, knowledge, ability and integrity relative to the industry are known to the commission; (C) at least three years' experience as a licensed racing official, racing secretary, assistant racing secretary or director of racing; or (D) experience in the racing industry of a character and for a length of time sufficient, in the opinion of the commission, to be substantially equivalent to the experience requirement of subsection (d)(4)(A), (B) or (C).
- (e) For the purpose of subsection (d)(4), one year's experience shall mean at least 100 days actually worked within one calendar year. An original license for a steward or racing judge issued pursuant to the provisions of this act shall be issued for the calendar year in which it is issued and shall be renewable for a period not to exceed three years as established by rules and regulations of the commission. The commission shall establish a license fee schedule consistent with the different periods for which such licenses may be granted. The license shall be valid at all race meetings in this state during the period for which it is issued, unless it is suspended or revoked prior to the expiration of such period.

Sec.-6.— K.S.A. 1994 Supp. 74-8836 is hereby amended to read as follows: 74-8836. (a) Any organization licensee that conducts at least 150 days of live racing during a calendar year or a fair association that conducts fewer than 22 days of live racing during a calendar year may apply to the commission for a simulcasting license to display simulcast horse or grey-hound races and to conduct intertrack parimutuel wagering thereon. If the organization licensee conducts races at a racetrack facility that is owned by a facility owner licensee, both licensees shall join in the application. A simulcasting license granted to a fair association that conducts fewer than 22 days of live racing shall restrict the fair association's display of simulcast races to a number of days, including days on which it conducts live races, equal to not more than twice the number of days on which it conducts live races.

- (b) (1) A simulcasting license granted to an organization licensee other than a fair association shall authorize the display of simulcast races at the racetrack facility where the live races are conducted, *subject to the following*:
- (A) Except as provided by subsection (b)(1)(B), the simulcasting licensee must conduct at least eight live races each day that the licensee

conducts live races and an average of at least 10 live races per day during each racing week that the licensee conducts live racing.

- (B) If a simulcasting licensee conducts live horse races on a day during a racing week when simulcast races are displayed by the licensee and the licensee conducts fewer than 10 live horse races on such day, the licensee may conduct an average of fewer than 10 live horse races per day during such racing week if: (i) Not less than 80% of the races on which wagers are taken by the licensee during such day shall be racing week are live races conducted by the licensee; (ii) the recognized horsemen's group approves; or (iii) the commission approves upon a finding that the licensee was unable to meet the requirement of (i) for good-cause.
- (C) If a simulcast simulcasting licensee conducts live greyhound races on a day when simulcast races are displayed by the licensee and the licensee eonducts schedules fewer than 13 live greyhound races during a performance on such day, not less than 80% of the races on which wagers are taken by the licensee during such performance shall be live races conducted by the licensee.
- (2) A simulcasting license granted to a fair association shall authorize the display of simulcast races at the racetrack facility where the races are conducted only if live races are scheduled for two or more days of the same ealendar racing week, except that the licensee may conduct simulcast races in the racing week immediately before and immediately after a live meeting if the total number of days on which simulcast races are displayed does not exceed the total authorized in subsection (a). In no case shall the live meet or simulcast races allowed under this subsection exceed nine consecutive racing weeks. For purposes of this subsection, a ealendar week shall be measured from Monday through the following Sunday.
- (3) Notwithstanding the provisions of subsection (a), (b)(1) or (b)(2), a fair association may apply to the commission for not more than five additional days of simulcasting of special events. In addition, the commission may authorize a fair association to display additional simulcast races but, if such fair association is less than 100 miles from an organization licensee that is not a fair association, it must also secure written consent from that organization licensee.
- (4) Notwithstanding the provisions of subsection (b)(1), if an emergency causes the cancellation of all or any live races scheduled for a day or performance by a simulcasting licensee, the commission or the commission's designee may authorize the licensee to display any simulcast races previously scheduled for such day or performance.
- (5) Notwithstanding the provisions of subsection (b)(1), the commission may authorize the licensee to display simulcast special racing events as designated by the commission.

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- (c) The application for a simulcasting license shall be filed with the commission at a time and place prescribed by rules and regulations of the commission. The application shall be in a form and include such information as the commission prescribes.
 - (d) To qualify for a simulcasting license the applicant shall:

(1) Comply with the interstate horse racing act of 1978 (15 U.S.C. 3001 et seq.) as in effect December 31, 1991;

- submit with the application a written approval of the proposed simulcasting schedule signed by: (A) The recognized horsemen's group for the track, if the applicant is licensed to conduct only horse races; (B) the recognized greyhound owners' group, if the applicant is licensed to conduct only greyhound races and only greyhound races are to be simulcast; (C) both the recognized greyhound owners' group and a recognized horsemen's group, if the applicant is licensed to conduct only greyhound races and horse races are to be simulcast; (D) the recognized greyhound owners' group, if the applicant is licensed to conduct both greyhound and horse races, only greyhound races are to be simulcast and races are to be simulcast only while the applicant is conducting live greyhound races; (E) the recognized horsemen's group for the track, if the applicant is licensed to conduct both greyhound and horse races, only horse races are to be simulcast and races are to be simulcast only while the applicant is conducting live horse races; or (F) both the recognized greyhound owners' group and the recognized horsemen's group for the track, if the applicant is licensed to conduct both greyhound races and horse races and horse races are to be simulcast while the applicant is conducting live greyhound races or greyhound races are to be simulcast while the applicant is conducting live horse races; and
 - (3) submit, in accordance with rules and regulations of the commission and before the simulcasting of a race, a written copy of each contract or agreement which the applicant proposes to enter into with regard to such race, and any proposed modification of any such contract or agreement.
 - (e) The term of a simulcasting license shall be one year.
 - (f) A simulcasting licensee may apply to the commission or its designee for changes in the licensee's approved simulcasting schedule if such changes are approved by the respective recognized greyhound owners' group or recognized horsemen's group needed throughout the term of the license. Application shall be made upon forms furnished by the commission and shall contain such information as the commission prescribes.
 - (g) Except as provided by subsection (j), the takeout for simulcast horse and greyhound races shall be the same as it is for the live horse and greyhound races conducted during the current or next live race meeting at the racetrack facility where the simulcast races are displayed. For

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 simulcast races the tax imposed on amounts wagered shall be as provided by K.S.A. 74-8823 and amendments thereto. The simulcasting licensee shall be entitled to retain sufficient revenue to pay expenses directly related to the simulcast race or performance. The commission, by rules and regulations, shall define what constitutes such expenses. Of the balance of the takeout remaining after deduction of taxes and expenses, 50% shall be paid to the simulcasting licensee. The remainder shall be used for purses, as follows:

(1) For purses for greyhound races conducted by the licensee, if the simulcast race is a greyhound race and the licensee conducts only live

greyhound races;

(2) for purses for horse races conducted by the licensee, if the simulcast race is a horse race and the licensee conducts only live horse races:

(3) for purses, as determined by both the recognized horsemen's group and the recognized greyhound owners' group, if the simulcast race is a greyhound race and the licensee does not conduct or is not currently conducting live greyhound races; or

(4) for purses, as determined by both the recognized horsemen's group and the recognized greyhound owners' group, if the simulcast is a horse race and the licensee does not conduct or is not currently conducting live horse races.

(h) Except as provided by subsection (j):

- (1) If a simulcasting licensee has a license to conduct live horse races and the licensee displays a simulcast horse race: (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.
- (2) If a simulcasting licensee has a license to conduct live greyhound races and the licensee displays a simulcast greyhound race, breakage and unclaimed winning ticket proceeds shall be distributed in the manner provided by K.S.A. 74-8821 and 74-8822, and amendments thereto, for breakage and unclaimed winning ticket proceeds from live greyhound races.

- (3) If a simulcasting licensee has a license to conduct live racing of only horses and the licensee displays a simulcast greyhound race, unclaimed winning ticket proceeds shall be distributed in the manner provided by K.S.A. 74-8822, and amendments thereto, for unclaimed winning ticket proceeds from live greyhound races. Breakage for such races shall be distributed for use to benefit greyhound racing as determined by the commission.
- (4) If a simulcasting licensee has a license to conduct live racing of only greyhounds and the licensee displays a simulcast horse race: (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.
- (i) The commission may approve a request by two or more simulcasting licensees to combine wagering pools within the state of Kansas pursuant to rules and regulations adopted by the commission.
- (j) (1) The commission may authorize any simulcasting licensee to participate in an interstate combined wagering pool with one or more other racing jurisdictions.
- (2) If a licensee participates in an interstate pool, the licensee may adopt the takeout of the host jurisdiction or facility, except that the takeout shall not be more than 20% on win, place and show bets and not more than 25% on all other bets. The amount and manner of paying purses from the takeout in an interstate pool shall be as provided by subsection (g).
- (3) The tax imposed on amounts wagered in an interstate pool shall be as provided by K.S.A. 74-8823 and amendments thereto. Parimutuel taxes may not be imposed on any amounts wagered in an interstate combined wagering pool other than amounts wagered within this jurisdiction.
- (4) Breakage for interstate combined wagering pools shall be calculated in accordance with the statutes and rules and regulations of the host jurisdiction and shall be allocated among the participating jurisdictions in a manner agreed to among the jurisdictions. Breakage allocated to this jurisdiction shall be distributed as provided by subsection (h).
 - (5) Upon approval of the respective recognized greyhound owners'

group or recognized horsemen's group, the commission may permit an organization licensee to simulcast to other racetrack facilities or off-track wagering or intertrack wagering facilities in other jurisdictions one or more races conducted by such licensee, use one or more races conducted by such licensee for an intrastate combined wagering pool or use one or more races conducted by such licensee for an interstate combined wagering pool at off-track wagering or intertrack wagering locations outside the commission's jurisdiction and may allow parimutuel pools in other jurisdictions to be combined with parimutuel pools in the commission's jurisdiction for the purpose of establishing an interstate combined wagering pool.

(6) The participation by a simulcasting licensee in a combined interstate wagering pool does not cause that licensee to be considered to be doing business in any jurisdiction other than the jurisdiction in which the

licensee is physically located.

(k) If the organization licensee, facility owner licensee if any and the recognized horsemen's group or recognized greyhound owners' group are unable to agree concerning a simulcasting application, the matter may be submitted to the commission for determination at the written request of any party in accordance with rules and regulations of the commission.

(l) This section shall be part of and supplemental to the Kansas par-

imutuel racing act.

Sec. 7. K.S.A. 1994 Supp. 21-3612 is hereby amended to read as follows: 21-3612. (a) Contributing to a child's misconduct or deprivation is:

- (1) Causing or encouraging a child under 18 years of age to become or remain a child in need of care as defined by the Kansas code for care of children;
- (2) causing or encouraging a child under 18 years of age to commit a traffic infraction or an act which, if committed by an adult, would be a misdemeanor or to violate the provisions of K.S.A. 41-727 or subsection $\frac{1}{2}$ (k) of K.S.A. 74-8810 and amendments thereto;
- (3) failure to reveal, upon inquiry by a uniformed or properly identified law enforcement officer engaged in the performance of such officer's duty, any information one has regarding a runaway, with intent to aid the runaway in avoiding detection or apprehension;
- (4) sheltering or concealing a runaway with intent to aid the runaway in avoiding detection or apprehension by law enforcement officers; or
- (5) causing or encouraging a child under 18 years of age to commit an act which, if committed by an adult, would be a felony.

Contributing to a child's misconduct or deprivation as described in subsection (a)(1), (2) or (3) is a class A nonperson misdemeanor. Contributing to a child's misconduct or deprivation as described in subsection

- (a)(4) is a severity level 8, person felony. Contributing to a child's misconduct or deprivation as described in subsection (a)(5) is a severity level 7, person felony.
 - (b) A person may be found guilty of contributing to a child's misconduct or deprivation even though no prosecution of the child whose misconduct or deprivation the defendant caused or encouraged has been commenced pursuant to the Kansas code for care of children, Kansas juvenile offenders code or Kansas criminal code.
 - (c) As used in this section, "runaway" means a child under 18 years of age who is willfully and voluntarily absent from:
 - (1) The child's home without the consent of the child's parent or other custodian; or
 - (2) a court ordered or designated placement, or a placement pursuant to court order, if the absence is without the consent of the person with whom the child is placed or, if the child is placed in a facility, without the consent of the person in charge of such facility or such person's designee.
 - (d) This section shall be part of and supplemental to the Kansas criminal code.
 - Sec.—8.— K.S.A. 1994 Supp. 38-1502 is hereby amended to read as follows: 38-1502. As used in this code, unless the context otherwise indicates:
 - (a) "Child in need of care" means a person less than 18 years of age who:
 - (1) Is without adequate parental care, control or subsistence and the condition is not due solely to the lack of financial means of the child's parents or other custodian;
 - (2) is without the care or control necessary for the child's physical, mental or emotional health;
 - (3) has been physically, mentally or emotionally abused or neglected or sexually abused;
 - (4) has been placed for care or adoption in violation of law;
 - (5) has been abandoned or does not have a known living parent;
 - (6) is not attending school as required by K.S.A. 72-977 or 72-1111, and amendments thereto;
 - (7) except in the case of a violation of K.S.A. 41-727 or subsection (j). (k) of K.S.A. 74-8810 or, except as provided in subsection (a)(12), K.S.A. 1994 Supp. 21-4204a and amendments thereto, does an act which, when committed by a person under 18 years of age, is prohibited by state law, city ordinance or county resolution but which is not prohibited when done by an adult;
 - (8) while less than 10 years of age, commits any act which if done by an adult would constitute the commission of a felony or misdemeanor as

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defined by K.S.A. 21-3105 and amendments thereto;

(9) is willfully and voluntarily absent from the child's home without the consent of the child's parent or other custodian;

- (10) is willfully and voluntarily absent at least a second time from a court ordered or designated placement, or a placement pursuant to court order, if the absence is without the consent of the person with whom the child is placed or, if the child is placed in a facility, without the consent of the person in charge of such facility or such person's designee;
- (11) has been residing in the same residence with a sibling or another person under 18 years of age, who has been physically, mentally or emotionally abused or neglected, or sexually abused; or
- (12) while less than 10 years of age commits the offense defined in K.S.A. 1994 Supp. 21-4204a and amendments thereto.
- (b) "Physical, mental or emotional abuse or neglect" means the infliction of physical, mental or emotional injury or the causing of a deterioration of a child and may include, but shall not be limited to, failing to maintain reasonable care and treatment, negligent treatment or maltreatment or exploiting a child to the extent that the child's health or emotional well-being is endangered. A parent legitimately practicing religious beliefs who does not provide specified medical treatment for a child because of religious beliefs shall not for that reason be considered a negligent parent; however, this exception shall not preclude a court from entering an order pursuant to subsection (a)(2) of K.S.A. 38-1513 and amendments thereto.
- (c) "Sexual abuse" means any act committed with a child which is described in article 35, chapter 21 of the Kansas Statutes Annotated and those acts described in K.S.A. 21-3602 or 21-3603, and amendments thereto, regardless of the age of the child.
- (d) "Parent," when used in relation to a child or children, includes a guardian, conservator and every person who is by law liable to maintain, care for or support the child.
- (e) "Interested party" means the state, the petitioner, the child, any parent and any person found to be an interested party pursuant to K.S.A. 38-1541 and amendments thereto.
- (f) "Law enforcement officer" means any person who by virtue of office or public employment is vested by law with a duty to maintain public order or to make arrests for crimes, whether that duty extends to all crimes or is limited to specific crimes.
- (g) "Youth residential facility" means any home, foster home or structure which provides 24-hour-a-day care for children and which is licensed pursuant to article 5 of chapter 65 of the Kansas Statutes Annotated.
- (h) "Shelter facility" means any public or private facility or home other than a juvenile detention facility that may be used in accordance with this code for the purpose of providing either temporary placement

for the care of children in need of care prior to the issuance of a dispositional order or longer term care under a dispositional order.

- (i) "Juvenile detention facility" means any secure public or private facility used for the lawful custody of accused or adjudicated juvenile offenders which must not be a jail.
- (j) "Adult correction facility" means any public or private facility, secure or nonsecure, which is used for the lawful custody of accused or convicted adult criminal offenders.
- (k) "Secure facility" means a facility which is operated or structured so as to ensure that all entrances and exits from the facility are under the exclusive control of the staff of the facility, whether or not the person being detained has freedom of movement within the perimeters of the facility, or which relies on locked rooms and buildings, fences or physical restraint in order to control behavior of its residents. No secure facility shall be in a city or county jail.
- (l) "Ward of the court" means a child over whom the court has acquired jurisdiction by the filing of a petition pursuant to this code and who continues subject to that jurisdiction until the petition is dismissed or the child is discharged as provided in K.S.A. 38-1503 and amendments thereto.
- (m) "Custody," whether temporary, protective or legal, means the status created by court order or statute which vests in a custodian, whether an individual or an agency, the right to physical possession of the child and the right to determine placement of the child, subject to restrictions placed by the court.
- (n) "Placement" means the designation by the individual or agency having custody of where and with whom the child will live.
- (o) "Secretary" means the secretary of social and rehabilitation services.
- (p) "Relative" means a person related by blood, marriage or adoption but, when referring to a relative of a child's parent, does not include the child's other parent.
- (q) "Court-appointed special advocate" means a responsible adult other than an attorney guardian *ad litem* who is appointed by the court to represent the best interests of a child, as provided in K.S.A. 38-1505a and amendments thereto, in a proceeding pursuant to this code.
- (r) "Multidisciplinary team" means a group of persons, appointed by the court or by the state department of social and rehabilitation services under K.S.A. 38-1523a and amendments thereto, which has knowledge of the circumstances of a child in need of care.
- (s) "Jail" means:
- 42 (1) An adult jail or lockup; or
 - (2) a facility in the same building or on the same grounds as an adult

jail or lockup, unless the facility meets all applicable standards and licensure requirements under law and there is (A) total separation of the juvenile and adult facility spatial areas such that there could be no haphazard or accidental contact between juvenile and adult residents in the respective facilities; (B) total separation in all juvenile and adult program activities within the facilities, including recreation, education, counseling, health care, dining, sleeping, and general living activities; and (C) separate juvenile and adult staff, including management, security staff and direct care staff such as recreational, educational and counseling.

(t) "Kinship care" means the placement of a child in the home of the child's relative or in the home of another adult with whom the child or

the child's parent already has a close emotional attachment.

Sec. 9.- K.S.A. 1994 Supp. 38-1602 is hereby amended to read as follows: 38-1602. As used in this code, unless the context otherwise requires:

(a) "Juvenile" means a person 10 or more years of age but less than

18 years of age.

- (b) "Juvenile offender" means a person who does an act while a juvenile which if done by an adult would constitute the commission of a felony or misdemeanor as defined by K.S.A. 21-3105 and amendments thereto or who violates the provisions of K.S.A. 1994 Supp. 21-4204a or, K.S.A. 41-727 or subsection (j) (k) of K.S.A. 74-8810, and amendments thereto, but does not include:
- (1) A person 14 or more years of age who commits a traffic offense, as defined in subsection (d) of K.S.A. 8-2117 and amendments thereto;
- (2) a person 16 years of age or over who commits an offense defined in chapter 32 of the Kansas Statutes Annotated;
- (3) a person 16 years of age or over who is charged with a felony or with more than one offense of which one or more is a felony after having been adjudicated in a separate prior juvenile proceeding as having committed an act which would constitute a felony if committed by an adult and the adjudications occurred prior to the date of the commission of the new act charged;
- (4) a person who has been prosecuted as an adult by reason of subsection (b)(3) and whose prosecution results in conviction of a crime;
- (5) a person whose prosecution as an adult is authorized pursuant to K.S.A. 38-1636 and amendments thereto;
- (6) a person who has been convicted of aggravated juvenile delinquency as defined by K.S.A. 21-3611 and amendments thereto; or
- (7) a person 16 years of age or over who has been adjudicated to be a juvenile offender under the Kansas juvenile offender's code and who is charged with committing a felony or more than one offense of which one or more is a felony while confined in any training or rehabilitation facility

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under the jurisdiction and control of the department of social and rehabilitation services or while running away or escaping from any such institution or facility.

- (c) "Parent," when used in relation to a juvenile or a juvenile offender, includes a guardian, conservator and every person who is by law liable to maintain, care for or support the juvenile.
- (d) "Law enforcement officer" means any person who by virtue of that person's office or public employment is vested by law with a duty to maintain public order or to make arrests for crimes, whether that duty extends to all crimes or is limited to specific crimes.
- (e) "Youth residential facility" means any home, foster home or structure which provides twenty-four-hour-a-day care for juveniles and which is licensed pursuant to article 5 of chapter 65 of the Kansas Statutes Annotated.
- (f) "Juvenile detention facility" means any secure public or private facility which is used for the lawful custody of accused or adjudicated juvenile offenders and which must not be a jail.
- (g) "State youth center" means a facility operated by the secretary for juvenile offenders.
- (h) "Warrant" means a written order by a judge of the court directed to any law enforcement officer commanding the officer to take into custody the juvenile named or described therein.
- (i) "Secretary" means the secretary of social and rehabilitation services.
 - (j) "Jail" means:
 - (1) An adult jail or lockup; or
- (2) a facility in the same building as an adult jail or lockup, unless the facility meets all applicable licensure requirements under law and there is (A) total separation of the juvenile and adult facility spatial areas such that there could be no haphazard or accidental contact between juvenile and adult residents in the respective facilities; (B) total separation in all juvenile and adult program activities within the facilities, including recreation, education, counseling, health care, dining, sleeping, and general living activities; and (C) separate juvenile and adult staff, including management, security staff and direct care staff such as recreational, educational and counseling.
- (k) "Court-appointed special advocate" means a responsible adult, other than an attorney appointed pursuant to K.S.A. 38-1606 and amendments thereto, who is appointed by the court to represent the best interests of a child, as provided in section 16 of 1994 Senate Bill No. 657 38-1606a, K.S.A. 1994 supp. 38-1606a and amendments thereto in a proceeding pursuant to this code.

Sec. ‡6. K.S.A. 74-8803 and K.S.A. 1994 Supp. 21-3612, 38-1502,

1	38-1602, 74-8802, 74-8804, 74-8810, 74-8818 and 74-8836 are hereby	
2	repealed.	
3	Sec. 11. This act shall take effect and be in force from and after its	12
4	publication in the statute book.	

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Session of 1995

SENATE BILL No. 124

By Committee on Federal and State Affairs

1-26

AN ACT amending the Kansas parimutuel racing act; amending K.S.A. and 74-8805 74-8803 and K.S.A. 1994 Supp. 21-3612, 38-1502, 38-1602, 74-8802, 74-8804, 74-8810, 74-8818 and 74-8836 and repealing the existing sections.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1994 Supp. 74-8802 is hereby amended to read as follows: 74-8802. As used in this act unless the context otherwise requires:

- (a) "Breakage" means the odd cents by which the amount payable on each dollar wagered exceeds:
- (1) A multiple of \$.10, for parimutuel pools from races conducted in this state; and
- (2) a multiple of such other number of cents as provided by law of the host jurisdiction, for interstate combined wagering pools.
- (b) "Commission" means the Kansas racing commission created by this act.
- (c) "Concessionaire licensee" means a person, partnership, corporation or association licensed by the commission to utilize a space or privilege within a racetrack facility to sell goods.
- (d) "Dual racetrack facility" means a racetrack facility for the racing of both horses and greyhounds or two immediately adjacent racetrack facilities, owned by the same licensee, one for racing horses and one for racing greyhounds.
- (e) "Executive director" means the executive director of the commission.
- (f) "Facility manager licensee" means a person, partnership, corporation or association licensed by the commission and having a contract with an organization licensee to manage a racetrack facility.
- (g) "Facility owner licensee" means a person, partnership, corporation or association, or the state of Kansas or any political subdivision thereof, licensed by the commission to construct or own a racetrack facility but does not mean an organization licensee which owns the racetrack facility in which it conducts horse or greyhound racing.
- (h) "Fair association" means an association organized pursuant to S.A. 2-125 et seq. and amendments thereto or a nonprofit association

Ser FedisSab 2-20-50 Attachments

Attachment3

- (1) Each member shall be a citizen of the United States and an actual resident of Kansas at the time of appointment and during such member's term of office with the commission;
- (2) each member shall have been a resident of Kansas for a continuous period of not less than five years immediately preceding appointment to the commission; and
- (3) no member shall have been convicted of a felony under the laws of any state or of the United States at any time prior to appointment or during such member's term of office with the commission.
- (c) The governor shall make appointments to the commission in such a manner that:
- (1) Not more than three members belong to the same political party at the time of appointment and during their terms of office with the commission; and
- (2) subject to the provisions of K.S.A. 1992 Supp. 75-4315c, each congressional district has at least one member residing in such district at the time of appointment.
- (d) Of the members first appointed to the commission, the governor shall designate one whose term shall expire June 30, 1088; two whose terms shall expire June 30, 1080; and two whose terms shall expire June 30, 1000. After the expiration of such initial terms, Each member shall be appointed serve for a term of three four years and until a successor is appointed and qualified.
- (e) A vacancy on the commission shall be filled for the unexpired term by appointment by the governor.
- (f) The commission shall meet at such times and places within this state as the chairperson or a majority of the commission members determines. A majority of the members shall constitute a quorum for the conduct of commission business.
- (g) The members of the commission annually shall elect a chairper-son vice-chairperson and secretary from the membership of the commission. No member of the commission shall serve more than two consecutive terms as the chairperson.
- (h) Members of the commission shall receive such compensation as determined by the governor, subject to the limitations of appropriations therefor, and, when attending meetings of the commission, or a subcommittee meeting thereof approved by the commission, shall be paid subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223 and amendments thereto.
- Sec. 3. K.S.A. 1994 Supp. 74-8804 is hereby amended to read as follows: 74-8804. (a) During race meetings, the commission and its desnated employees may observe and inspect all racetrack facilities operated by licensees and all racetracks simulcasting races to racetrack facil-

The governor shall designate a member of the commission as chairperson of the commission, to serve in that capacity at the will of the governor.

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facility.

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- (m) The commission may adopt rules and regulations providing for the testing of any licensees of the commission, and any officers, directors and employees thereof, to determine whether they are users of any controlled substances.
- (n) The commission may shall require fingerprinting of all persons necessary to verify qualification for any license, including a simulcasting license, issued pursuant to this act. The commission shall submit such fingerprints to the Kansas bureau of investigation and to the federal bureau of investigation for the purposes of verifying the identity of such persons and obtaining records of criminal arrests and convictions.
- (o) The commission may receive from commission security personnel, the Kansas bureau of investigation or other criminal justice agencies such criminal history record information (including arrest and nonconviction data), criminal intelligence information and information relating to criminal and background investigations as necessary for the purpose of determining qualifications of licensees of the commission, employees of the commission, applicants for employment by the commission, and applicants for licensure by the commission, including applicants for simulcasting licenses. Upon the written request of the chairperson of the commission, the commission may receive from the district courts such information relating to juvenile proceedings as necessary for the purpose of determining qualifications of licensees of and applicants for licensure by the commission. Such information, other than conviction data, shall be confidential and shall not be disclosed except to members and employees of the commission as necessary to determine qualifications of such licensees and applicants. Any other disclosure of such confidential information is a class A misdemeanor and shall constitute grounds for removal from office, termination of employment or denial, revocation or suspension of any license issued under this act.
- (p) The commission, in accordance with K.S.A. 75-4319 and amendments thereto, may recess for a closed or executive meeting to receive and discuss information received by the commission pursuant to subsection (o) and to negotiate with licensees of or applicants for licensure by the commission regarding any such information.
- (q) The commission shall adopt such rules and regulations as necessary to implement and enforce the provisions of this act.
- Sec. 4. K.S.A. 1994 Supp. 74-8810 is hereby amended to read as follows: 74-8810. (a) It is a class A nonperson misdemeanor for any person to have a financial interest, directly or indirectly, in any racetrack facility within the state of Kansas or in any host facility for a simulcast race displayed in this state:
- (1) While such person is a member of the commission or during the

Insert section 4, attached, and renumber remaining sections

- Sec. 4. K.S.A. 74-8805 is hereby amended to read as follows: 74-8805. (a) (1) The commission governor shall appoint, subject to confirmation by the senate as provided by K.S.A. 75-4315b and amendments thereto, an executive director of the commission, to serve at the pleasure of the commission governor.
- (2) The executive director shall: (A) Be in the unclassified service under the Kansas civil service act; (B) devote full time to the executive director's assigned duties; (C) receive such compensation as determined by the commission, subject to the limitations of appropriations therefor; (D) be a citizen of the United States and an actual resident of Kansas during employment by the commission; (E) not have been convicted of a felony under the laws of any state or of the United States prior to or during employment by the commission; and (F) have familiarity with the horse and dog racing industries sufficient to fulfill the duties of the office of executive director.
- (3) The executive director shall: (A) Recommend to the commission the number and qualifications of employees necessary to implement and enforce the provisions of this act; (B) employ persons for those positions approved by the commission, subject to the limitations of appropriations therefor; and (C) perform such other duties as directed by the commission.
- (b) (1) The executive director shall appoint an inspector of parimutuels to serve at the pleasure of the executive director.
- (2) The inspector of parimutuels shall: (A) Be in the unclassified service under the Kansas civil service act; (B) devote full time to the inspector's assigned duties; (C) receive such compensation as determined by the executive director, subject to the limitations of appropriations therefor; (D) be a citizen of the United States and an actual resident of Kansas during employment as inspector of parimutuels; and (E) not have been convicted of a felony under the laws of any state or of the United States prior to or during employment by the commission.
- (3) The inspector of parimutuels shall: (A) Inspect and audit the conduct of parimutuel wagering by organization licensees, including the equipment and facilities used and

procedures followed; (B) train and supervise such personnel as employed by the executive director to assist with such duties; and (C) perform such other duties as directed by the executive director.

- (c) (l) The executive director shall appoint a director of security to serve at the pleasure of the executive director.
- (2) The director of security shall: (A) the unclassified service under the Kansas civil service act; (B) devote full time to the security director's assigned duties; such compensation as determined by the executive director, subject to the limitations of appropriations therefor; (D) be a citizen of the United States and an actual resident of Kansas during employment as director of security; (E) not have been convicted of a felony under the laws of any state or of the United States prior to or during employment by the commission; and (F) be a professional law enforcement officer with a minimum of five years' experience in the field of law enforcement and least a bachelor's degree in law enforcement administration, law, criminology or a related science or, in lieu thereof, a minimum of 10 years' experience in the field of law enforcement.
- (3) The director of security shall: (A) Conduct investigations relating to compliance with the provisions of this act and rules and regulations of the commission; (B) recommend proper security measures to organization licensees; (C) train and supervise such personnel as employed by the executive director to assist with such duties; and (D) perform such other duties as directed by the executive director.
- (d) (1) The executive director may appoint a director of racing operations to serve at the pleasure of the executive director.
- (2) The director of racing operations shall: (A) Be in the unclassified service under the Kansas civil service act; (B) devote full time to the director's assigned duties; (C) receive such compensation as determined by the executive director, subject to the limitations of appropriations therefor; (D) be a citizen of the United States and an actual resident of Kansas during employment as director of racing operations; (E) not have

been convicted of a felony under the laws of any state or of the United States prior to or during employment by the commission; and (F) have a minimum of 10 years' experience in racing operations.

- (3) The director of racing operations shall: (A) Supervise racing operations, including stewards and racing judges; (B) be responsible for training and education of stewards and racing judges; (C) advise the commission on necessary or desirable changes in rules and regulations relating to conduct of races; (D) train and supervise such personnel as employed by the executive director to assist with such duties; and (E) perform such other duties as directed by the executive director.
- (e) The commission may appoint an advisory committee of persons knowledgeable in the horse and greyhound breeding and racing industries to provide information and recommendations to the commission regarding the administration of this act. Members of such advisory committee shall serve without compensation or reimbursement of expenses.
- (f) Except as otherwise provided by this act, all employees of the commission shall be in the classified service under the Kansas civil service act.

-74-8805, 38-1602, 74-8802, 74-8804, 74-8810, 74-8818 and 74-8836 are hereby repealed.

Sec. 11. This act shall take effect and be in force from and after its publication in the statute book.