

MEMORANDUM

To: House Committee on Federal and State Affairs

From: Mike Heim, Revisor of Statutes Office

Date: Mar. 13, 2025

Subject: SB 260-Summary

SB 260 would amend the Kansas Parimutuel Racing Act to change certain licensing requirements regarding live horse racing and alter the distribution of moneys from certain funds. The bill would also make technical changes.

The bill would amend definitions for “horsemen’s association” and “horsemen’s nonprofit organization” to remove location restrictions and references to specific racetracks, which would permit organizations of either type to obtain licenses for racetrack facilities located anywhere in Kansas. (Sec. 1)

The bill would remove the requirement that race meets (time frame for racing) are held within the boundaries of the county where the applicant for licensure is located. Current law would still require organizations to conduct no more than two race meetings each year.

The bill would require fair associations that intend to conduct live horse racing and are applying for licensure to submit documentation demonstrating the applicant is approved for the license by:

- The Kansas Quarter Horse Racing Association and the Kansas Thoroughbred Association; or
- A horsemen’s nonprofit organization.

The **bill would prohibit** horsemen’s nonprofit organizations that intend to conduct live horse racing and are applying for licensure from:

- Conducting live horse racing prior to March 1, 2028, unless the licensee intends to conduct the races at Eureka Downs; and
- Operating historical horse race machines. (Sec. 2).

The bill would prohibit a horsemen's association that is applying for a facility owner license or facility manager license from operating historical horse race machines at the racetrack facility for which it is seeking licensure. (Sec. 3).

The bill would redirect the distribution of money from the State Racing Fund. For money in excess of the amount required for operating expenditures of the Racing and Gaming Commission:

- 30 percent of the tax revenues from wagers on historical horse races would be transferred from the State Racing Fund to the Kansas Horse Breeding Development Fund;
- and

- 70 percent of the tax revenues from wagers on historical horse races would be transferred from the State Racing Fund to the Horse Fair Racing Benefit Fund.

The money would be transferred to each fund on or before July 15, 2025, and on the 15th day of each month. (Sec. 4).

The bill would amend the distribution of money from the Development Fund. The bill would extend the stallion and breeder's awards to include owners of stallions and mares of Kansas-bred horses that compete in recognized parimutuel races and finish at a level determined by the Commission. (Sec. 5).

The bill would permit 15% of moneys credited to the Benefit Fund to be used for the promotion of the parimutuel racing industry in Kansas. Nonprofit horsemen's organizations could apply to the Commission for the use of such money. Moneys in the Benefit Fund could also be used to pay for costs related to lease agreements for land, equipment, or other materials necessary to conduct a race meeting. (Sec.6)

