

Live Horse Racing Licensure; SB 21

SB 21 amends the Kansas Parimutuel Racing Act to change certain licensing requirements regarding live horse racing and to alter the distribution of moneys from certain funds.

Definitions

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

Organization Licenses

The bill removes the requirement that race meets are held within the boundaries of the county where the applicant for licensure is located. [*Note: Continuing law requires organizations to conduct no more than two race meetings each year, and the meetings to be held for no more than 40 days per year.*]

Fair Associations

The bill requires 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 non-profit organization.

Horsemen’s Non-profit Organization

The bill prohibits horsemen’s non-profit 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.

Horsemen's Associations

The bill prohibits 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.

State Racing Fund

The bill redirects the distribution of moneys from the State Racing Fund. For moneys in excess of the amount required for operating expenditures of the Kansas Racing and Gaming Commission (Commission):

- 30 percent of the tax revenues from wagers on historical horse races will be transferred from the State Racing Fund to the Kansas Horse Breeding Development Fund (Development Fund); and
- 70 percent of the tax revenues from wagers on historical horse races will be transferred from the State Racing Fund to the Horse Fair Racing Benefit Fund (Benefit Fund).

The moneys will be transferred to each fund on or before July 15, 2025, and on the 15th day of each month thereafter.

Kansas Horse Breeding Development Fund

The bill amends the distribution of moneys from the Development Fund. The bill extends 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.

Horse Fair Racing Benefit Fund

The bill permits 15 percent of moneys credited to the Benefit Fund to be used for the promotion of the parimutuel racing industry in Kansas. Non-profit horsemen's organizations can apply to the Commission for the use of such moneys. Moneys in the Benefit Fund can also be used to pay for costs related to lease agreements for land, equipment, or other materials necessary to conduct a race meeting.