## SENATE BILL No. 225

By Committee on Federal and State Affairs

3-8

AN ACT concerning certain crimes; relating to charitable poker tournaments; amending K.S.A. 2016 Supp. 21-6403 and repealing the existing section.

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

Section 1. K.S.A. 2016 Supp. 21-6403 is hereby amended to read as follows: 21-6403. As used in K.S.A. 2016 Supp. 21-6403 through 21-6409, and amendments thereto:

- (a) "Bet" means a bargain in which the parties agree that, dependent upon chance, one stands to win or lose something of value specified in the agreement. A bet does not include:
- (1) Bona fide business transactions which are valid under the law of contracts including, but not limited to, contracts for the purchase or sale at a future date of securities or other commodities, and agreements to compensation for loss caused by the happening of the chance including, but not limited to, contracts of indemnity or guaranty and life or health and accident insurance:
- (2) offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the bona fide owners of animals or vehicles entered in such a contest:
  - (3) a lottery as defined in this section;
- (4) any bingo game by or for participants managed, operated or conducted in accordance with the laws of the state of Kansas by an organization licensed by the state of Kansas to manage, operate or conduct games of bingo;
  - (5) a lottery operated by the state pursuant to the Kansas lottery act;
- (6) any system of parimutuel wagering managed, operated and conducted in accordance with the Kansas parimutuel racing act;
  - (7) tribal gaming;
- (8) charitable raffles as defined by K.S.A. 2016 Supp. 75-5173, and amendments thereto; or
  - (9) a fantasy sports league as defined in this section; or
  - (10) a charitable poker tournament as defined in this section;
- (b) "lottery" means an enterprise wherein for a consideration the participants are given an opportunity to win a prize, the award of which is

SB 225 2

determined by chance. A lottery does not include:

- (1) A lottery operated by the state pursuant to the Kansas lottery act; or
  - (2) tribal gaming;

- (c) "consideration" means anything which is a commercial or financial advantage to the promoter or a disadvantage to any participant. Mere registration without purchase of goods or services; personal attendance at places or events, without payment of an admission price or fee; listening to or watching radio and television programs; answering the telephone or making a telephone call and acts of like nature are not consideration. "Consideration" shall not include sums of money paid by or for:
- (1) Participants in any bingo game managed, operated or conducted in accordance with the laws of the state of Kansas by any bona fide nonprofit religious, charitable, fraternal, educational or veteran organization licensed to manage, operate or conduct bingo games under the laws of the state of Kansas and it shall be conclusively presumed that such sums paid by or for such participants were intended by such participants to be for the benefit of the sponsoring organizations for the use of such sponsoring organizations in furthering the purposes of such sponsoring organizations, as set forth in the appropriate paragraphs of section 501(c) or (d) of the internal revenue code of 1986 and as set forth in K.S.A. 79-4701, and amendments thereto:
- (2) participants in any lottery operated by the state pursuant to the Kansas lottery act;
- (3) participants in any system of parimutuel wagering managed, operated and conducted in accordance with the Kansas parimutuel racing act; or
  - (4) a person to participate in tribal gaming;
- (d) "charitable poker tournament" means a poker game or contest in which participants make a donation, which is suggested but not required, to participate in the game or contest. The primary purpose of the game or contest is to raise money for a bona fide nonprofit religious, charitable, fraternal, educational or veterans' organization, as defined in K.S.A. 75-5173, and amendments thereto. Prizes are awarded to a select number of winners of the game or contest;
- (e) "fantasy sports league" means any fantasy or simulation sports game or contest in which no fantasy or simulation sports team is based on the current membership of an actual team that is a member of an amateur or professional sports organization and that meets the following conditions:
- (1) All prizes and awards offered to winning participants are established and made known to the participants in advance of the game or

SB 225 3

1 2

 contest and their value is not determined by the number of participants or the amount of any fees paid by those participants;

- (2) all winning outcomes reflect the relative knowledge and skill of the participants and are determined predominantly by accumulated statistical results of the performance of individual athletes in multiple realworld sporting events; and
  - (3) no winning outcome is based:
- (A) On the score, point spread or any performance or performances of any single real-world team or any combination of such teams; or
- (B) solely on any single performance of an individual athlete in any single real-world sporting event.
  - (e) (f) (1) "gambling device" means any:
- (A) So-called "slot machine" or any other machine, mechanical device, electronic device or other contrivance an essential part of which is a drum or reel with insignia thereon, and:
- (i) Which when operated may deliver, as the result of chance, any money or property; or
- (ii) by the operation of which a person may become entitled to receive, as the result of chance, any money or property;
- (B) other machine, mechanical device, electronic device or other contrivance including, but not limited to, roulette wheels and similar devices, which are equipped with or designed to accommodate the addition of a mechanism that enables accumulated credits to be removed, is equipped with or designed to accommodate a mechanism to record the number of credits removed or is otherwise designed, manufactured or altered primarily for use in connection with gambling, and:
- (i) Which when operated may deliver, as the result of chance, any money or property; or
- (ii) by the operation of which a person may become entitled to receive, as the result of chance, any money or property;
- (C) subassembly or essential part intended to be used in connection with any such machine, mechanical device, electronic device or other contrivance, but which is not attached to any such machine, mechanical device, electronic device or other contrivance as a constituent part; or
- (D) any token, chip, paper, receipt or other document which evidences, purports to evidence or is designed to evidence participation in a lottery or the making of a bet.

The fact that the prize is not automatically paid by the device does not affect its character as a gambling device.

- (2) "Gambling device" shall not include:
- (A) Any machine, mechanical device, electronic device or other contrivance used or for use by a licensee of the Kansas racing commission as authorized by law and rules and regulations adopted by the commission

SB 225 4

or by the Kansas lottery or Kansas lottery retailers as authorized by law and rules and regulations adopted by the Kansas lottery commission;

- (B) any machine, mechanical device, electronic device or other contrivance, such as a coin-operated bowling alley, shuffleboard, marble machine, a so-called pinball machine, or mechanical gun, which is not designed and manufactured primarily for use in connection with gambling, and:
- (i) Which when operated does not deliver, as a result of chance, any money; or
  - (ii) by the operation of which a person may not become entitled to receive, as the result of the application of an element of chance, any money;
  - (C) any so-called claw, crane or digger machine and similar devices which are designed and manufactured primarily for use at carnivals or county or state fairs; or
  - (D) any machine, mechanical device, electronic device or other contrivance used in tribal gaming;
  - (f) (g) "gambling place" means any place, room, building, vehicle, tent or location which is used for any of the following: Making and settling bets; receiving, holding, recording or forwarding bets or offers to bet; conducting lotteries; or playing gambling devices. Evidence that the place has a general reputation as a gambling place or that, at or about the time in question, it was frequently visited by persons known to be commercial gamblers or known as frequenters of gambling places is admissible on the issue of whether it is a gambling place;
- (g) (h) "tribal gaming" means the same as in K.S.A. 74-9802, and amendments thereto; and
- (h) (i) "tribal gaming commission" means the same as in K.S.A. 74-9802, and amendments thereto.
- 30 Sec. 2. K.S.A. 2016 Supp. 21-6403 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.