

**74-8821. Breakage.** (a) The breakage deducted from the amounts paid to winning ticket holders for each parimutuel pool shall be computed by the organization licensee and disbursed as set forth in this section. An accounting of the amount and disposition of the breakage shall be made by each organization licensee as directed by the commission. Except as otherwise provided by K.S.A. 74-8836, and amendments thereto, the breakage on minus pools shall be calculated in multiples of \$.05 rather than \$.10.

(b) All breakage proceeds from parimutuel wagering conducted by the organization licensee on live horse races conducted by the licensee 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. The commission shall remit any such proceeds received to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Kansas horse breeding development fund created by K.S.A. 74-8829, and amendments thereto.

(c) Except as provided by subsection (e), all breakage proceeds from parimutuel wagering conducted by the organization licensee on live greyhound races conducted by the licensee shall be distributed by the licensee not later than the 15th day of the month following the race from which the breakage is derived as follows:

(1) An amount equal to 50% of the breakage shall be used at racetrack facilities where derived to supplement open stakes races as approved by the commission; and

(2) an amount equal to 50% of the breakage shall be paid as purses directly to the breeders of Kansas-whelped greyhounds pursuant to rules and regulations of the commission.

(d) All breakage proceeds from parimutuel wagering conducted by a simulcast licensee on simulcast races displayed by the licensee shall be distributed as provided by K.S.A. 74-8836, and amendments thereto.

(e) If a racetrack facility closes or discontinues conducting races and there are undistributed breakage proceeds from parimutuel wagering conducted by the organization licensee on live greyhound races, the licensee shall distribute such proceeds to charitable organizations who apply to the organizational licensee. Such proceeds shall be distributed in accordance with the licensee's charitable distribution guidelines. Within 30 days of such distribution, the licensee shall file a report with the commission disclosing the amounts of the distributions, the names of the distributees and the date on which the distributions were made.

The provisions of this subsection shall apply to any racetrack facility conducting races on or before October 31, 2001.

**History:** L. 1987, ch. 112, § 21; L. 1992, ch. 27, § 8; L. 2001, ch. 5, § 345; L. 2004, ch. 168, § 4; July 1.