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OFFICE WEST VIRGINIA SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

SECOND REGULAR SESSION, 2014

ENROLLED

House Bill No. 101

(By Mr. Speaker, (Mr. Miley) and Delegate Armstead) (By Request of the Executive)



Passed March 14, 2014

In effect from passage.

FILED

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OFFICE WEST VIRGINIA SECRETARY OF STATE

ENROLLED

H. B. 101

(BY MR. SPEAKER, (MR. MILEY) AND DELEGATE ARMSTEAD) [By Request of the Executive]

[Passed March 14, 2014; in effect from passage.]

AN ACT to amend and reenact §29-22-18d of the Code of West Virginia. 1931, as amended; to amend said code by adding thereto three new sections. designated §29-22A-10d, §29-22A-10e and §29-22A-10f; to amend said code by adding thereto a new section, designated §29-22C-27a; and to amend said code by adding thereto a new section, designated §29-25-22b, all relating to the transfer of certain revenues derived from lottery activities generally; reducing the distributions to the West Virginia Infrastructure Fund to \$20 million for fiscal year 2015 and increasing the percentage of funds available for grants therefrom; reducing the amount that may be transferred to the Racetrack Modernization Fund to \$9 million; transferring certain revenues derived from racetrack video lottery, lottery racetrack table games and lottery historic resort hotel gaming activities to the State Excess Lottery Revenue Fund for appropriation; reducing statutory distributions to capital reinvestment, purse funds and development funds by ten percent; and authorizing distributions to be paid on a pro rata basis.

Be it enacted by the Legislature of West Virginia:

That §29-22-18d of the Code of West Virginia, 1931, as amended, be amended and reenacted; that said code be amended by adding thereto three new sections, designated §29-22A-10d, §29-22A-10e and §29-22A-10f; that said code be amended by adding thereto a new section, designated §29-22C-27a; and that said code be amended by adding thereto a new section, designated §29-25-22b, all to read as follows:

ARTICLE 22. STATE LOTTERY ACT.

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§29-22-18d. Increase in allocation to West Virginia Infrastructure Fund from State Excess Lottery Revenue Fund.

Notwithstanding any provision of subsection (d), section 1 eighteen-a of this article to the contrary. the deposit of \$40 2 3 million into the West Virginia Infrastructure Fund set forth 4 above is for the fiscal year beginning July 1, 2010, only. For the fiscal year beginning July 1, 2011, and each fiscal year 5 6 thereafter, in lieu of the deposits required under subdivision (5), 7 subsection (d), section eighteen-a of this article, the commission 8 shall, first, deposit \$6 million into the West Virginia 9 Infrastructure Lottery Revenue Debt Service Fund created in 10 subsection (h), section nine, article fifteen-a, chapter thirty-one 11 of this code, to be spent in accordance with the provisions of that 12 subsection, and, second deposit \$40 million into the West 13 Virginia Infrastructure Fund created in subsection (a), section 14 nine, article fifteen-a, chapter thirty-one of this code, to be spent 15 in accordance with the provisions of that article: Provided, That 16 for the fiscal year beginning July 1, 2014, the deposit to the West 17 Virginia Infrastructure Fund shall be \$20 million: Provided 18 *however*, That notwithstanding the provisions of subsection (a), 19 section ten, article fifteen-a, chapter thirty-one of this code, for

2

20 the fiscal year beginning July 1, 2014, any moneys disbursed

21 from the West Virginia Infrastructure Fund in the form of grants

22 shall not exceed fifty percent of the total funds available for the

23 funding of projects.

ARTICLE 22A. RACETRACK VIDEO LOTTERY ACT.

§29-22A-10d. Changes in distribution of net terminal income; distributions from excess lottery fund.

(a) Notwithstanding any provision of subsection (b), section
 ten of this article to the contrary, for the fiscal year beginning
 July 1, 2014, and each fiscal year thereafter, the commission
 may transfer up to \$9 million as actual costs and expenses to the
 Licensed Racetrack Modernization Fund.

6 (b) Notwithstanding any provision of subsection (c). section 7 ten of this article to the contrary, for the fiscal year beginning 8 July 1, 2014, and each fiscal year thereafter, each distribution, 9 except those distributions to be made pursuant to subdivisions (1), (2), (3), (4), (5) and (7), subsection (c), section ten of this 10 11 article, shall be reduced by one hundred percent. Payments shall 12 not be made pursuant to section ten of this article, other than 13 those excepted by this subsection, and are made in lieu thereof 14 in an amount to be determined by appropriation from the State 15 Excess Lottery Revenue Fund.

16 (c) The total amount of reductions resulting from subsection 17 (b) of this section shall be paid into the State Excess Lottery 18 Revenue Fund, created by section eighteen-a, article twenty-two 19 of this chapter. For the fiscal year beginning July 1, 2014, and 20 each fiscal year thereafter, distributions to be made pursuant to 21 subdivisions (2) and (5), subsection (c), section ten of this article 22 shall be reduced by ten percent, and the amounts resulting from 23 the reduction shall be paid into the State Excess Lottery Revenue 24 Fund.

(d) Notwithstanding any other provision of this code to thecontrary, for the fiscal year beginning July 1, 2014, and each

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- 27 fiscal year thereafter, moneys deposited to the State Excess
- 28 Lottery Revenue Fund pursuant to this section shall be expended
- 29 by the Lottery in accordance with appropriations.

(e) Prior to payment of any appropriation made pursuant to
this section, debt service payments payable from the State
Excess Lottery Fund shall first be paid in accordance with the
provisions of sections eighteen-a, eighteen-d and eighteen-e,
article twenty-two of this chapter and in the priority as defined
by subsection (c), section eighteen-f, article twenty-two of this
chapter.

(f) Notwithstanding any other provision of this code to the
contrary, after payment of debt service from the State Excess
Lottery Revenue Fund, all other distributions required by section
eighteen-a, article twenty-two of this chapter and the
distributions appropriated pursuant to this section shall be paid
on a pro rata basis.

43 (g) Notwithstanding the provisions of paragraph (B), 44 subdivision (9), subsection (c), section ten of this article, upon 45 certification of the Governor to the Legislature that an 46 independent actuary has determined that the unfunded liability 47 of the Old Fund, as defined in chapter twenty-three of this code, 48 has been paid or provided for in its entirety, the transfers made 49 to the Workers' Compensation Debt Reduction Fund pursuant to 50 paragraph (A), subdivision (9). subsection (c), section ten of this 51 article shall expire and those funds shall remain in the State 52 Excess Lottery Revenue Fund subject to appropriation.

§29-22A-10e. Changes in distribution of excess net terminal income; distributions from excess lottery fund.

(a) Notwithstanding any provision of subsection (a), section
 ten-b of this article to the contrary, for the fiscal year beginning
 July 1, 2014, and each fiscal year thereafter, each distribution,
 except those distributions to be made pursuant to subdivisions
 (1), (2), (3), (4), (5) and (7), subsection (a), section ten-b of this

6 article, shall be reduced by one hundred percent. Payments shall

7 not be made pursuant to section ten-b of this article, other than

8 those excepted by this subsection, and are made in lieu thereof

9 in an amount to be determined by appropriation from the State

10 Excess Lottery Revenue Fund.

11 (b) The total amount of reductions resulting from subsection 12 (a) of this section shall be paid into the State Excess Lottery 13 Revenue Fund created in section eighteen-a, article twenty-two 14 of this chapter. For the fiscal year beginning July 1, 2014, and 15 each fiscal year thereafter, distributions to be made pursuant to subdivisions (2) and (5), subsection (a), section ten-b of this 16 17 article shall be reduced by ten percent, and the amounts resulting 18 from the reduction shall be paid into the State Excess Lottery Revenue Fund. 19

(c) Notwithstanding any other provision of this code to the
contrary, for the fiscal year beginning July 1, 2014, and each
fiscal year thereafter, moneys deposited to the State Excess
Lottery Revenue Fund pursuant to this section shall be expended
by the Lottery in accordance with appropriations.

(d) Prior to payment of any appropriation made pursuant to
this section, debt service payments payable from the State
Excess Lottery Fund shall first be paid in accordance with the
provisions of sections eighteen-a, eighteen-d, and eighteen-e,
article twenty-two of this chapter and in the priority as defined
by subsection (c), section eighteen-f, article twenty-two of this
chapter.

(e) Notwithstanding any other provision of this code to the
contrary, after payment of debt service from the State Excess
Lottery Revenue Fund, all other distributions required by section
eighteen-a, article twenty-two of this chapter and the
distributions appropriated pursuant to this section shall be paid
on a pro rata basis.

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(f) Notwithstanding the provisions of paragraph (B), 38 subdivision (9), subsection (a), section ten-b of this article, upon 39 40 certification of the Governor to the Legislature that an 41 independent actuary has determined that the unfunded liability of the Old Fund, as defined in chapter twenty-three of this code, 42 has been paid or provided for in its entirety, the transfers made 43 44 to the Workers' Compensation Debt Reduction Fund pursuant to 45 paragraph (A), subdivision (9), subsection (a), section ten-b of this article shall expire and those funds shall remain in the State 46 47 Excess Lottery Revenue Fund subject to appropriation.

§29-22A-10f. Changes in distribution of surcharge.

- 1 (a) Notwithstanding any provision of subsection (b), section
- 2 ten-c of this article to the contrary, for the fiscal year beginning
- 3 July 1, 2014, and each fiscal year thereafter, each distribution
- 4 made pursuant to section ten-c of this article shall be reduced by
- 5 ten percent.
- 6 (b) The total amount of reductions resulting from subsection
- 7 (a) of this section shall be paid into the State Excess Lottery
- 8 Revenue Fund created in section eighteen-a, article twenty-two
- 9 of this chapter.

ARTICLE 22C. WEST VIRGINIA LOTTERY RACETRACK TABLE GAMES ACT.

§29-22C-27a. Changes in distribution of adjusted gross receipts; distributions from excess lottery fund.

- 1 (a) Notwithstanding any provision of section twenty-seven
- 2 of this article to the contrary, for the fiscal year beginning July
- 3 1, 2014, and each fiscal year thereafter, the distribution directed
- 4 pursuant to subdivision (1), subsection (d) of that section shall
- 5 be reduced by one hundred percent.
- 6 (b) The total amount of reductions resulting from subsection
 7 (a) of this section shall be paid into the State Excess Lottery
 8 Revenue Fund created in section eighteen-a, article twenty-two

9 of this chapter. For the fiscal year beginning July 1, 2014, and 10 each fiscal year thereafter, distributions to be made pursuant to 11 subdivisions (2) and (3), subsection (c), section twenty-seven of 12 this article shall be reduced by ten percent, and the amounts 13 resulting from the reduction shall be paid into the State Excess 14 Lottery Revenue Fund. 15 (c) Notwithstanding any other provision of this code to the 16 contrary, for the fiscal year beginning July 1, 2014, and each 17 fiscal year thereafter, moneys deposited to the State Excess

- 18 Lottery Revenue Fund pursuant to this section shall be expended
- 19 by the Lottery in accordance with appropriations.

(d) Prior to payment of any appropriation made pursuant to
this section, debt service payments payable from the State
Excess Lottery Fund shall first be paid in accordance with the
provisions of sections eighteen-a, eighteen-d and eighteen-e,
article twenty-two of this chapter and in the priority as defined
by subsection (c), section eighteen-f, article twenty-two of this
chapter.

(e) Notwithstanding any other provision of this code to the
contrary, after payment of debt service from the State Excess
Lottery Revenue Fund, all other distributions required by section
eighteen-a, article twenty-two of this chapter and the
distributions appropriated pursuant to this section shall be paid
on a pro rata basis.

ARTICLE 25. AUTHORIZED GAMING FACILITY.

§29-25-22b. Changes in distribution of adjusted gross receipts and additional income; distributions from excess lottery fund.

- 1 (a) Notwithstanding any provision of section twenty-two of
- 2 this article to the contrary, for the fiscal year beginning July 1,
- 3 2014, and each fiscal year thereafter, after payment of the
- 4 commission's expenses pursuant to subsection (b), section

5 twenty-two of this article, each distribution made in subsection

6 (c), section twenty-two of this article from gross terminal

7 income, and each distribution of the balance of the Historic 8 Resort Hotel Fund made in subsection (d), section twenty-two of

8 Resort Hotel Fund made in subsection (d), section twenty-two of
9 this article, except subdivisions (4), (5) (6), (7) and (8) of that

10 subsection, shall be reduced by one hundred percent. Payments

11 shall not be made pursuant to section twenty-two of this article,

12 other than those excepted by this subsection, and are made in

13 lieu thereof in an amount to be determined by appropriation from

14 the State Excess Lottery Revenue Fund.

(b) The total amount of reductions resulting from subsection
(a) of this section shall be paid into the State Excess Lottery
Revenue Fund created in section eighteen-a, article twenty-two
of this chapter.

(c) Notwithstanding any other provision of this code to the
contrary, for the fiscal year beginning July 1, 2014, and each
fiscal year thereafter, moneys deposited to the State Excess
Lottery Revenue Fund pursuant to this section shall be expended
by the Lottery in accordance with appropriations.

(d) Prior to payment of any appropriation made pursuant to
this section, debt service payments payable from the State
Excess Lottery Fund shall first be paid in accordance with the
provisions of section eighteen-a, eighteen-d and eighteen-e,
article twenty-two of this chapter and in the priority as defined
by subsection (c), section eighteen-f, article twenty-two of this
chapter.

(e) Notwithstanding any other provision of this code to the
contrary, after payment of debt service from the State Excess
Lottery Revenue Fund, all other distributions required by section
eighteen-a, article twenty-two of this chapter and the
distributions appropriated pursuant to this section shall be paid
on a pro rata basis.

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

anni U Chairman, House Committee Member n, Senute Committee Originating in the House. In effect from passage. ina 3. S. Clerk of the House of Delegates inard Clerk of the Senate House of Delegates Speak r of the of the Senate The within is approved this the 3/5+ Nasch day of ____, 2014. Somblen bvernor

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