

Senate Bill No. 543

(By Senator Trump)

[Introduced February 23, 2015; referred to the Committee on Finance.]

**FISCAL
NOTE**

9 A BILL to amend and reenact §29-22A-10d and §29-22A-10e of the Code of West Virginia, 1931,
10 as amended, all relating to transferring certain revenues derived from racetrack video lottery,
11 lottery racetrack table games and lottery historic resort hotel gaming activities to the State
12 Excess Lottery Revenue Fund for appropriation.

13 *Be it enacted by the Legislature of West Virginia:*

14 That §29-22A-10d and §29-22A-10e of the Code of West Virginia, 1931, as amended, be
15 amended and reenacted, all to read as follows:

16 **ARTICLE 22A. RACETRACK VIDEO LOTTERY.**

17 **§29-22A-10d. Changes in distribution of net terminal income; distributions from excess**
18 **lottery fund.**

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

22 (b) Notwithstanding any provision of subsection (c), section ten of this article to the contrary,

1 for the fiscal year beginning July 1, 2014, and each fiscal year thereafter, each distribution, except
2 those distributions to be made pursuant to subdivisions (1), (2), (3), (4), (5) and (7), subsection (c),
3 section ten of this article, shall be reduced by one hundred percent. Payments shall not be made
4 pursuant to section ten of this article, other than those excepted by this subsection, and are made in
5 lieu thereof in an amount to be determined by appropriation from the state Excess Lottery Revenue
6 Fund. Notwithstanding any provision of subsection (c), section ten of this article to the contrary, for
7 the fiscal year beginning July 1, 2015, and each fiscal year after that each distribution, except those
8 distributions to be made pursuant to subdivisions (1), (3) and (7), subsection (c), section ten of this
9 article, shall be reduced by one hundred percent. Payments shall not be made pursuant to section
10 ten of this article, other than those excepted by this subsection, and are made in lieu thereof in an
11 amount to be determined by appropriation from the state Excess Lottery Revenue Fund.

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

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

22 (e) Prior to payment of any appropriation made pursuant to this section, debt service

1 payments payable from the state Excess Lottery Fund shall first be paid in accordance with the
2 provisions of sections eighteen-a, eighteen-d and eighteen-e, article twenty-two of this chapter and
3 in the priority as defined by subsection (c), section eighteen-f, article twenty-two of this chapter.

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

8 (g) Notwithstanding the provisions of paragraph (B), subdivision (9), subsection (c), section
9 ten of this article, upon certification of the Governor to the Legislature that an independent actuary
10 has determined that the unfunded liability of the Old Fund, as defined in chapter twenty-three of this
11 code, has been paid or provided for in its entirety, the transfers made to the Workers' Compensation
12 Debt Reduction Fund pursuant to paragraph (A), subdivision (9), subsection (c), section ten of this
13 article shall expire and those funds shall remain in the state Excess Lottery Revenue Fund subject
14 to appropriation.

15 **§29-22A-10e. Changes in distribution of excess net terminal income; distributions from excess**
16 **lottery fund.**

17 (a) Notwithstanding any provision of subsection (a), section ten-b of this article to the
18 contrary, for the fiscal year beginning July 1, 2014, and each fiscal year thereafter, each distribution,
19 except those distributions to be made pursuant to subdivisions (1), (2), (3), (4), (5) and (7),
20 subsection (a), section ten-b of this article, shall be reduced by one hundred percent. Payments shall
21 not be made pursuant to section ten-b of this article, other than those excepted by this subsection,
22 and are made in lieu thereof in an amount to be determined by appropriation from the state Excess

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

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

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

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

22 (e) Notwithstanding any other provision of this code to the contrary, after payment of debt

1 service from the state Excess Lottery Revenue Fund, all other distributions required by section
2 eighteen-a, article twenty-two of this chapter and the distributions appropriated pursuant to this
3 section shall be paid on a pro rata basis.

4 (f) Notwithstanding the provisions of paragraph (B), subdivision (9), subsection (a), section
5 ten-b of this article, upon certification of the Governor to the Legislature that an independent actuary
6 has determined that the unfunded liability of the Old Fund, as defined in chapter twenty-three of this
7 code, has been paid or provided for in its entirety, the transfers made to the Workers' Compensation
8 Debt Reduction Fund pursuant to paragraph (A), subdivision (9), subsection (a), section ten-b of this
9 article shall expire and those funds shall remain in the state Excess Lottery Revenue Fund subject
10 to appropriation.

NOTE: The purpose of this bill is to redistribute certain revenues to the state Excess Lottery Revenue Fund for appropriation.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.