

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

Senate Bill 612

FISCAL
NOTE

BY SENATORS WELD, BLAIR, HAMILTON, HARDESTY,

JEFFRIES, LINDSAY, RUCKER, TAKUBO, AND TARR

[Introduced February 14, 2019; Referred to the Committee
on Finance]

1 A BILL to amend and reenact §19-23-12a of the Code of West Virginia, 1931, as amended; to
 2 amend and reenact §29-22A-12 of said code; and to amend and reenact §29-22C-3 and
 3 §29-22C-8 of said code, all relating to allowing for the establishment of a secondary
 4 location for simulcast, racetrack video lottery terminals and racetrack table games of
 5 licensed racetracks to a secondary location within the current county of the licensed
 6 racetrack.

Be it enacted by the Legislature of West Virginia:

CHAPTER 19. AGRICULTURE.

ARTICLE 23. HORSE AND DOG RACING.

§19-23-12a. Pari-mutuel wagering on interstate and intrastate horse and dog racing.

1 (1) Notwithstanding any other provisions of this code, a racing association licensed in this
 2 state to conduct race meetings may, with the consent of the Racing Commission and the written
 3 approval of the authorized representative of a majority of the owners and trainers who hold the
 4 permit required by §19-23-2 of this code at the horse racetrack, contract with any legal wagering
 5 entity in this or any other state to accept wagers on any race or races conducted by such legal
 6 wagering entity. Unless the wager becomes part of the host licensee's pari-mutuel pool, such
 7 wagering shall be conducted within the confines of such licensee's racetrack or at a hotel as
 8 defined in §16-6-3 of this code, controlled by such licensee and contiguous to the licensee's
 9 property, subject to the following requirements:

10 (a) That such hotel contain at least one hundred rooms and be in existence on the effective
 11 date of this section;

12 (b) That the licensee shall have invested at least \$1 million in the hotel; and

13 (c) That such hotel is within one half mile of the licensee's racetrack surface.

14 (2) Such horse association shall retain a basic commission not to exceed 17 and twenty-
 15 five one-hundredths percent of all money wagered, plus an additional amount equal to one and

16 seventy-five one-hundredths percent of the amount wagered each day on all multiple wagers
17 determined by a combination of two winning horses, including, but not limited to, the daily double,
18 quinella and perfecta or plus an additional amount equal to seven and seventy-five one-
19 hundredths percent of the amount wagered each day on all trifecta wagers or any other multiple
20 wager which involves a single betting interest on three or more horses. Breakage shall be
21 calculated and distributed in the manner provided by §19-23-9(c) of this code.

22 (3) The commission deducted by any licensee from the pari-mutuel pools on dog racing
23 shall not exceed sixteen and one-fourth percent of the total of such pari-mutuel pools for the day.

24 (4) Out of the commission retained or deducted by a licensee under the provisions of
25 subsections (2) and (3) of this section, the licensee shall pay one tenth of one percent into the
26 General Fund of the county commission of the county in which the racetrack is located, except if
27 within a municipality, then to such municipality's general fund.

28 (5) The association shall pay each day a pari-mutuel pools tax calculated under the
29 provisions of §19-23-10 of this code.

30 (6) After deducting the county or municipal share provided for in subsection (4) of this
31 section and the pari-mutuel pools tax required by subsection (5) of this section, and the amount
32 required to be paid under the terms of the contract with the legal wagering entity of this or another
33 state and the cost of transmission, the horse racing association shall make a deposit equal to 50
34 percent of the remainder into the purse fund established under the provisions of §19-23-9(1)(b)
35 of this code.

36 (7) All of the provisions of the "Federal Interstate Horseracing Act of 1978," also known as
37 Public Law 95-515, section 3001-3007 of title 15, U.S. Code, shall be instructive as the intent of
38 this section.

39 (8) For the purposes of this section the words "legal wagering entity" shall be limited to
40 any person engaged in horse racing or dog racing pursuant to a license or other permission
41 granted by the state in which such person's racetrack is situated and conducting race meetings,

42 with a pari-mutuel wagering system permitted under that state's laws and in which the participants
43 are wagering with each other and not the operator.

44 (9) Notwithstanding any provision in this chapter to the contrary, a licensed racetrack may
45 establish a secondary location for its business at any building owned or leased by the licensed
46 racetrack within the county the licensed racetrack is located to conduct pari-mutual wagering on
47 simulcast races so long as the licensed racetrack receives approval from the Lottery Commission.

CHAPTER 29. MISCELLANEOUS BOARDS AND OFFICERS.

ARTICLE 22A. RACETRACK VIDEO LOTTERY.

§29-22A-12. Number and location of video lottery terminals security.

1 (a) A racetrack which has been licensed to conduct video lottery games has the right to
2 install and operate up to 400 video lottery terminals at a licensed racetrack. A licensed racetrack
3 may apply to the commission for authorization to install and operate more than 400 video lottery
4 terminals. If the commission determines that the installation of additional machines is in the best
5 interest of the licensed racetrack, the Lottery Commission, and the citizens of this state, the
6 commission may grant permission to install and operate additional machines.

7 (b) All video lottery terminals in licensed racetracks shall be physically located as follows:

8 (1) The video lottery location shall be continuously monitored through the use of a closed
9 circuit television system capable of recording activity for a continuous 24-hour period. All video
10 tapes shall be retained for a period of at least 30 days;

11 (2) Access to video lottery terminal locations shall be restricted to persons legally entitled
12 by age to play video lottery games;

13 (3) The licensed racetrack shall submit for commission approval a floor plan of the area
14 or areas where video lottery terminals are to be operated showing terminal locations and security
15 camera mount locations;

16 (4) No video lottery terminal may be relocated without prior approval from the commission;

17 and

18 (5) Operational video lottery terminals may only be located in the building, or structure in
19 which the grandstand area of the racetrack is located, and in the area of the building or structure
20 where pari-mutuel wagering is permitted under the provisions of §19-23-1 *et seq.* of this code:
21 *Provided*, That if the commission, before November 1, 1993, has authorized any racetrack to
22 operate video lottery terminals and offer video lottery games in a location which would not conform
23 to the requirements of this subdivision, the racetrack may continue to use video lottery terminals
24 registered with and approved by the commission at that nonconforming location, and to offer the
25 games and any variations or composites of the games as may be approved by the commission.

26 (c) A licensee shall allow video lottery games to be played only on days when live racing
27 is being conducted at the racetrack and/or on televised racing days: *Provided*, That this restriction
28 shall not apply to any racetrack authorized by the commissioner prior to November 1, 1993, to
29 operate video lottery terminals and conduct video lottery games.

30 (d) Security personnel shall be present during all hours of operation at each video lottery
31 terminal location. Each license holder shall employ the number of security personnel the
32 commission determines is necessary to provide for safe and approved operation of the video
33 lottery facilities and the safety and well-being of the players.

34 (e) Notwithstanding any provision in this chapter to the contrary, a licensed racetrack may
35 establish a secondary location for its business, including authorized operational video lottery
36 terminals, at any building owned or leased by the licensed racetrack within the county the licensed
37 racetrack is located, so long as such licensed racetrack receives approval from the commission.
38 The total number of locations a licensed racetrack may operate within a county is two locations:
39 *Provided*, That if any licensed racetrack relocates operational video lottery terminals outside of a
40 municipality, that municipality is entitled to receive the share of funds it received under §29-22A-
41 10 and §29-22A-10b of this code up to the amount received in the fiscal year immediately
42 preceding the relocation of such operational video lottery terminals and the excess of this amount

43 shall be divided proportionally to that municipality and the new municipality, if any, based on the
 44 revenues generated at each location: *Provided, however,* That the total amount of funds
 45 transferred to municipalities may not be in excess of the percentage provided for under §29-22A-
 46 10 and §29-22A-10b of this code: *Provided further,* That any licensed racetrack establishing a
 47 secondary location shall continue to operate its original facility and continue to maintain and offer
 48 amenities, accommodations, options, and services at the original facility.

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

§29-22C-3. Definitions.

1 (a) *Applicability of definitions.* -- For the purposes of this article, the words or terms defined
 2 in this section, and any variation of those words or terms required by the context, have the
 3 meanings ascribed to them in this section. These definitions are applicable unless a different
 4 meaning clearly appears from the context in which the word or term is used.

5 (b) *Terms defined.* --

6 (1) "Adjusted gross receipts" means gross receipts from West Virginia Lottery table games
 7 less winnings paid to patrons wagering on the racetrack's table games.

8 (2) "Applicant" means any person who on his or her own behalf, or on behalf of another,
 9 has applied for permission to engage in any act or activity that is regulated under the provision of
 10 this article for which a license is required by this article or rule of the commission.

11 (3) "Application" means any written request for permission to engage in any act or activity
 12 that is regulated under the provisions of this article submitted in the form prescribed by the
 13 commission.

14 (4) "Background investigation" means a security, criminal and credit investigation of an
 15 applicant who has applied for the issuance or renewal of a license pursuant to this article, or a
 16 licensee who holds a current license.

17 (5) "Commission" or "State Lottery Commission" means the West Virginia Lottery
 18 Commission created by §29-22-1 *et seq.* of this code.

19 (6) "Complimentary" means a service or item provided at no cost or at a reduced price.

20 (7) "Compensation" means any money, thing of value, or financial benefit conferred or
21 received by a person in return for services rendered, or to be rendered, whether by that person
22 or another.

23 (8) "Contested case" means a proceeding before the commission, or a hearing examiner
24 designated by the commission to hear the contested case, in which the legal rights, duties,
25 interests or privileges of specific persons are required by law or constitutional right to be
26 determined after a commission hearing, but does not include cases in which the commission
27 issues a license, permit or certificate after an examination to test the knowledge or ability of the
28 applicant where the controversy concerns whether the examination was fair or whether the
29 applicant passed the examination and does not include rule making.

30 (9) "Control" means the authority directly or indirectly to direct the management and
31 policies of an applicant for a license issued under this article or the holder of a license issued
32 under this article.

33 (10) "Designated gaming area" means one or more specific floor areas of a licensed
34 racetrack within which the commission has authorized operation of racetrack video lottery
35 terminals or table games, or the operation of both racetrack video lottery terminals and West
36 Virginia Lottery table games.

37 (11) "Director" means the Director of the West Virginia State Lottery Commission
38 appointed pursuant to §29-22-6 of this code.

39 (12) "Disciplinary action" is an action by the commission suspending or revoking a license,
40 fining, excluding, reprimanding or otherwise penalizing a person for violating this article or rules
41 promulgated by the commission.

42 (13) "Financial interest" or "financially interested" means any interest in investments,
43 awarding of contracts, grants, loans, purchases, leases, sales or similar matters under
44 consideration for consummation by the commission. A member, employee or agent of the

45 commission will be considered to have a financial interest in a matter under consideration if any
46 of the following circumstances exist:

47 (A) He or she owns one percent or more of any class of outstanding securities that are
48 issued by a party to the matter under consideration by the commission; or

49 (B) He or she is employed by an independent contractor for a party to the matter under
50 consideration or consummated by the commission.

51 (14) "Gaming equipment" means gaming tables, cards, dice, chips, shufflers, drop boxes,
52 or any other mechanical, electronic or other device, mechanism or equipment or related supplies
53 used or consumed in the operation of any West Virginia Lottery table game at a licensed
54 racetrack.

55 (15) "Gross receipts" means the total of all sums including valid or invalid checks, currency,
56 tokens, coupons (excluding match play coupons), vouchers, or instruments of monetary value
57 whether collected or uncollected, received by a racetrack with table games from table gaming
58 operations at a race track, including all entry fees assessed for tournaments or other contests.

59 (16) "Indirect ownership" means an interest a person owns in an entity or in property solely
60 as a result of application of constructive ownership rules without regard to any direct ownership
61 interest (or other beneficial interest) in the entity or property. "Indirect ownership" shall be
62 determined under the same rules applicable to determining whether a gain or loss between
63 related parties is recognized for federal income tax purposes.

64 (17) "Licensed racetrack" means a thoroughbred horse or greyhound dog racing facility
65 licensed under both §29-22A-1 *et seq.* and §19-23-1 *et seq.* of this code.

66 (18) "License" means any license applied for or issued by the commission under this
67 article, including, but not limited to:

68 (A) A license to act as agent of the commission in operating West Virginia Lottery table
69 games at a licensed racetrack;

70 (B) A license to supply a racetrack licensed under this article to operate table games with

71 table gaming equipment or services necessary for the operation of table games;

72 (C) A license to be employed at a racetrack licensed under this article to operate West
73 Virginia Lottery table games when the employee works in a designated gaming area that has
74 table games or performs duties in furtherance of or associated with the operation of table games
75 at the licensed racetrack; or

76 (D) A license to provide management services under a contract to a racetrack licensed
77 under this article to operate table games.

78 (19) "Licensee" means any person who is licensed under any provision of this article.

79 (20) "Lottery" means the public gaming systems or games regulated, controlled, owned,
80 and operated by the State Lottery Commission in the manner provided by general law, as provided
81 in this article and in §29-22-1 *et seq.*, §29-22A-1 *et seq.*, §29-22B-1 *et seq.*, and §29-25-1 *et seq.*
82 of this code.

83 (21) "Member" means a commission member appointed to the West Virginia Lottery
84 Commission under §29-22-1 *et seq.* of this code.

85 (22) "National criminal history background check system" means the criminal history
86 record system maintained by the Federal Bureau of Investigation based on fingerprint
87 identification or any other method of positive identification.

88 (23) "Own" means any beneficial or proprietary interest in any real or personal property,
89 including intellectual property, and also includes, but is not limited to, any direct or indirect
90 beneficial or proprietary interest in any business of an applicant or licensee.

91 (24) "Person" means any natural person, and any corporation, association, partnership,
92 limited liability company, limited liability partnership, trust or other entity, regardless of its form,
93 structure or nature other than a government agency or instrumentality.

94 (25) "Player" or "Patron" means a person who plays a racetrack video lottery game or a
95 West Virginia Lottery table game at a racetrack licensed under this article to have table games.

96 (26) "Player's account" means a financial record established by a licensed racetrack for

97 an individual racetrack patron to which the racetrack may credit winnings and other amounts due
98 to the racetrack patron and from which the patron may withdraw moneys due to the patron for
99 purchase of tokens, chips or electronic media or other purposes.

100 (27) "Racetrack table games license" means authorization granted under this article by
101 the commission to a racetrack that is already licensed under §29-22A-1 *et seq.* of this code to
102 operate racetrack video lottery terminals and holds a valid racing license granted by the West
103 Virginia Racing Commission pursuant to the provision of §19-23-1 *et seq.* of this code of this code,
104 which permits the racetrack as an agent of the commission for the limited purpose of operation of
105 West Virginia Lottery table games in one or more designated gaming areas in one or more
106 buildings owned or leased by the licensed racetrack on the grounds where live pari-mutuel racing
107 is conducted by the licensee or any building owned or leased by the licensed racetrack within the
108 county the licensed racetrack is located, so long as such licensed racetrack receives approval
109 from the commission.

110 (28) "Racetrack Table Games Fund" means the special fund in the State Treasury created
111 in §29-22C-27 of this code.

112 (29) "Significant influence" means the capacity of a person to affect substantially (but not
113 control) either, or both, of the financial and operating policies of another person.

114 (30) "Supplier" means a person who the commission has identified under legislative rules
115 of the commission as requiring a license to provide a racetrack table games licensee with goods
116 or services to be used in connection with operation of table games.

117 (31) "Wager" means a sum of money or thing of value risked on an uncertain occurrence.

118 (32) "West Virginia Lottery table game" means any game played with cards, dice or any
119 mechanical, electromechanical or electronic device, or machine for money, credit or any
120 representative of value, including, but not limited to, baccarat, blackjack, poker, craps, roulette,
121 wheel of fortune or any variation of these games similar in design or operation and expressly
122 authorized by rule of the commission, including multiplayer electronic table games, machines and

123 devices, but excluding video lottery, punchboards, faro, numbers tickets, push cards, jar tickets,
124 pull tabs, or similar games.

125 (33) "Winnings" means the total cash value of all property or sums including currency,
126 tokens, or instruments of monetary value paid to players as a direct result of wagers placed on
127 West Virginia Lottery table games.

§29-22C-8. License to operate a racetrack with West Virginia Lottery table games.

1 (a) *Racetrack table games licenses.* -- The commission may issue up to four racetrack
2 table games licenses to operate West Virginia Lottery table games in accordance with the
3 provisions of this article. The Legislature intends that no more than four licenses to operate a
4 racetrack with West Virginia Lottery table games in this state shall be permitted in any event.

5 (b) *Grant of license.* -- Upon the passage of a local option election in a county in
6 accordance with the provisions of §29-22C-7 of this code, the commission shall immediately grant
7 a West Virginia Lottery table games license, and a license for the right to conduct West Virginia
8 Lottery table games as assignee to the intellectual property rights of the state, to allow the licensee
9 to conduct West Virginia table games at the licensed pari-mutuel racetrack identified on the local
10 option election ballot, provided that racetrack holds a valid racetrack video lottery license issued
11 by the commission pursuant to §29-22A-1 *et seq.* of this code and a valid racing license granted
12 by the West Virginia Racing Commission pursuant to the provision of §19-23-1 *et seq.* of this code
13 and has otherwise met the requirements for licensure under the provisions of this article and the
14 rules of the commission.

15 (c) *Location.* -- A racetrack table games license authorizes the operation of West Virginia
16 Lottery table games on the grounds of the particular licensed facility identified in the racetrack
17 video lottery license issued pursuant to §29-22A-1 *et seq.* of this code and the license to conduct
18 horse or dog racing issued pursuant to §19-23-1 *et seq.* of this code.

19 (d) *Floor plan submission requirement.* -- Prior to commencing the operation of any table
20 games in a designated gaming area, a racetrack table games licensee shall submit to the

21 commission for its approval a detailed floor plan depicting the location of the designated gaming
22 area in which table games gaming equipment will be located and its proposed arrangement of the
23 table games gaming equipment. Any floor plan submission that satisfies the requirements of the
24 rules promulgated by the commission shall be considered approved by the commission unless
25 the racetrack table games licensee is notified in writing to the contrary within one month of filing
26 a detailed floor plan.

27 (e) *Management service contracts.* --

28 (1) *Approval.* -- A racetrack table games licensee may not enter into any management
29 service contract that would permit any person other than the licensee to act as the commission's
30 agent in operating West Virginia Lottery table games unless the management service contract is:
31 (A) With a person licensed under this article to provide management services; (B) is in writing;
32 and (C) the contract has been approved by the commission.

33 (2) *Material change.* -- The licensed racetrack table games licensee shall submit any
34 material change in a management service contract previously approved by the commission to the
35 commission for its approval or rejection before the material change may take effect.

36 (3) *Prohibition on assignment or transfer.* -- A management services contract may not be
37 assigned or transferred to a third party.

38 (4) *Other commission approvals and licenses.* -- The duties and responsibilities of a
39 management services provider under a management services contract may not be assigned,
40 delegated, subcontracted or transferred to a third party to perform without the prior approval of
41 the commission. Third parties must be licensed under this article before providing service. The
42 commission may by rule clarify application of this subdivision and provide exceptions to its
43 application. The commission shall license and require the display of West Virginia Lottery game
44 logos on appropriate game surfaces and other gaming items and locations as the commission
45 considers appropriate.

46 (f) *Coordination of licensed activities.* -- In order to coordinate various licensed activities

47 within racetrack facilities, the following provisions apply to licensed racetrack facilities:

48 (1) The provisions of this article and of §29-22A-1 *et seq.* of this code shall be interpreted
49 to allow West Virginia Lottery table games and racetrack video lottery operations under those
50 articles to be harmoniously conducted in the same designated gaming area.

51 (2) On the effective date of this article, the provisions of §29-22C-23 of this code apply to
52 all video lottery games conducted within a racetrack facility, notwithstanding any inconsistent
53 provisions contained in §29-22A-1 *et seq.* of this code to the contrary.

54 (3) On and after the effective date of this article, vacation of the premises after service of
55 beverages ceases is not required, notwithstanding to the contrary any inconsistent provisions of
56 this code or inconsistent rules promulgated by the Alcohol Beverage Control Commissioner with
57 respect to hours of sale of those beverages, or required vacation of the premises.

58 (g) *Fees, expiration date and renewal.* --

59 (1) An initial racetrack table games license fee of \$1,500,000 shall be paid to the
60 commission at the time of issuance of the racetrack table games license, regardless of the number
61 of months remaining in the license year for which it is issued. All licenses expire at the end of the
62 day on June 30 each year.

63 (2) The commission shall annually renew a racetrack table games license as of July 1, of
64 each year provided the licensee:

65 (A) Successfully renews its racetrack video lottery license under §29-22A-1 *et seq.* of this
66 code before July 1, ;

67 (B) Pays to the commission the annual license renewal fee of \$2,500,000 required by this
68 section at the time it files its application for renewal of its license under §29-22A-1 *et seq.* of this
69 code; and

70 (C) During the current license year, the licensee complied with all provisions of this article,
71 all rules adopted by the commission and all final orders of the commission applicable to the
72 licensee.

73 (3) *Annual license surcharge for failure to construct hotel on premises.* -- It is the intent of
74 the Legislature that each racetrack for which a racetrack table games license has been issued be
75 or become a destination tourism resort facility. To that end, it is important that each racetrack for
76 which a racetrack table games license has been issued operate a hotel with significant amenities.
77 Therefore, in addition to all other taxes and fees required by the provisions of this article, there is
78 hereby imposed, upon each racetrack for which a racetrack table games license has been issued
79 an annual license surcharge, payable to the commission in the amount of \$2,500,000 if that
80 racetrack does not operate a hotel on its racing property that contains at least 150 guest rooms
81 with significant amenities within three years of the passage of the local option election in its county
82 authorizing table games at the racetrack, provided the time for completion of the hotel shall be
83 extended by the same number of days as the completion of the hotel is delayed by a force majeure
84 events or conditions beyond the reasonable control of the racetrack licensee. The surcharge shall
85 be paid upon each renewal of its racetrack table games license made after the expiration of the
86 three year period, and may be extended by the above force majeure events or conditions, until
87 the racetrack opens a qualifying hotel.

88 (4) If the licensee fails to apply to renew its license under §19-23-1 *et seq.*, and §29-22A-
89 1 *et seq.* of this code until after the license expires, the commission shall renew its license under
90 this article at the time it renews its license under §29-22A-1 *et seq.* of this code provided the
91 licensee has paid the annual license fee required by this section and during the preceding license
92 year the licensee complied with all provisions of this article, all rules adopted by the commission
93 and all final orders of the commission applicable to the licensee.

94 (h) *Facility qualifications.* -- A racetrack table games licensee shall demonstrate that the
95 racetrack with West Virginia Lottery table games will: (1) Be accessible to disabled individuals in
96 accordance with applicable federal and state laws; (2) be licensed in accordance with this article,
97 and all other applicable federal, state and local laws; and (3) meet any other qualifications
98 specified in rules adopted by the commission.

99 (i) *Surety bond.* -- A racetrack table games licensee shall execute a surety bond to be
100 given to the state to guarantee the licensee faithfully makes all payments in accordance with the
101 provisions of this article and rules promulgated by the commission. The surety bond shall be:

102 (1) In the amount determined by the commission to be adequate to protect the state
103 against nonpayment by the licensee of amounts due the state under this article;

104 (2) In a form approved by the commission; and

105 (3) With a surety approved by the commission who is licensed to write surety insurance in
106 this state. The bond shall remain in effect during the term of the license and may not be canceled
107 by a surety on less than 30 days' notice in writing to the commission. The total and aggregate
108 liability of the surety on the bond is limited to the amount specified in the bond.

109 (j) *Authorization.* -- A racetrack table games license authorizes the licensee act as an
110 agent of the commission in operating an unlimited amount of West Virginia Lottery table games
111 while the license is active, subject to subsection (d) of this section. A racetrack table games
112 license is not transferable or assignable and cannot be sold or pledged as collateral.

113 (k) *Audits.* -- When applying for a license and annually thereafter prior to license renewal,
114 a racetrack table games licensee shall submit to the commission an annual audit, by a certified
115 public accountant, of the financial transactions and condition of the licensee's total operations.
116 The audit shall be made in accordance with generally accepted accounting principles and
117 applicable federal and state laws.

118 (l) *Commission office space.* -- A racetrack table games licensee shall provide to the
119 commission, at no cost to the commission, suitable office space at the racetrack facility for the
120 commission to perform the duties required of it by this article and the rules of the commission.

121 (m) Notwithstanding any provision in this chapter to the contrary, a licensed racetrack may
122 establish a secondary location for its business, including authorized racetrack table games, at any
123 building owned or leased by the licensed racetrack within the county the licensed racetrack is
124 located so long as the licensed racetrack receives approval from the commission. The total

125 number of locations a licensed racetrack may operate within a county is two locations: *Provided,*
126 That if any licensed racetrack relocates racetrack table games outside of a municipality, that
127 municipality is entitled to receive the share of funds it received under §29-22C-27 of this code up
128 to the amount received in the fiscal year immediately preceding the relocation of the racetrack
129 table games and the excess of this amount shall be divided proportionally to that municipality and
130 the new municipality, if any, based on the revenues generated at each location: *Provided,*
131 *however,* That the total amount of funds transferred to municipalities may not be in excess of the
132 percentage provided under §29-22C-27 of this code: *Provided further,* That any licensed racetrack
133 establishing a secondary location shall continue to operate its original facility and continue to
134 maintain and offer amenities, accommodations, options, and services at the original facility.

NOTE: The purpose of this bill is to allow a licensed racetrack to establish a secondary location for racetrack video lottery terminals and racetrack table games at a location within the county as approved by the Lottery Commission.

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