

**H. B. 101**

(By Mr. Speaker, (Mr. Miley) and Delegate Armstead)

[By Request of the Executive]

[Introduced March 14, 2014]

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9 A BILL to amend and reenact §29-22-18d of the Code of West  
10 Virginia, 1931, as amended; to amend said code by adding  
11 thereto three new sections, designated §29-22A-10d,  
12 §29-22A-10e and §29-22A-10f; to amend said code by adding  
13 thereto a new section, designated §29-22C-27a; and to amend  
14 said code by adding thereto a new section, designated  
15 §29-25-22b, all relating to the transfer of certain revenues  
16 derived from lottery activities generally; reducing the  
17 distributions to the West Virginia Infrastructure Fund to \$20  
18 million for fiscal year 2015 and increasing the percentage of  
19 funds available for grants therefrom; reducing the amount that  
20 may be transferred to the Racetrack Modernization Fund to \$9  
21 million; transferring certain revenues derived from racetrack  
22 video lottery, lottery racetrack table games and lottery  
23 historic resort hotel gaming activities to the State Excess  
24 Lottery Revenue Fund for appropriation; reducing statutory

1 distributions to capital reinvestment, purse funds and  
2 development funds by ten percent; and authorizing  
3 distributions to be paid on a pro rata basis.

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

5 That §29-22-18d of the Code of West Virginia, 1931, as  
6 amended, be amended and reenacted; that said code be amended by  
7 adding thereto three new sections, designated §29-22A-10d,  
8 §29-22A-10e and §29-22A-10f; that said code be amended by adding  
9 thereto a new section, designated §29-22C-27a; and that said code  
10 be amended by adding thereto a new section, designated §29-25-22b,  
11 all to read as follows:

12 **ARTICLE 22. STATE LOTTERY ACT.**

13 **§29-22-18d. Increase in allocation to West Virginia**  
14 **Infrastructure Fund from State Excess Lottery**  
15 **Revenue Fund.**

16 Notwithstanding any provision of subsection (d), section  
17 eighteen-a of this article to the contrary, the deposit of \$40  
18 million into the West Virginia Infrastructure Fund set forth above  
19 is for the fiscal year beginning July 1, 2010, only. For the  
20 fiscal year beginning July 1, 2011, and each fiscal year  
21 thereafter, in lieu of the deposits required under subdivision (5),  
22 subsection (d), section eighteen-a of this article, the commission  
23 shall, first, deposit \$6 million into the West Virginia

1 Infrastructure Lottery Revenue Debt Service Fund created in  
2 subsection (h), section nine, article fifteen-a, chapter thirty-one  
3 of this code, to be spent in accordance with the provisions of that  
4 subsection, and, second deposit \$40 million into the West Virginia  
5 Infrastructure Fund created in subsection (a), section nine,  
6 article fifteen-a, chapter thirty-one of this code, to be spent in  
7 accordance with the provisions of that article: Provided, That for  
8 the fiscal year beginning July 1, 2014, the deposit to the West  
9 Virginia Infrastructure Fund shall be \$20 million: Provided  
10 however, That notwithstanding the provisions of subsection (a),  
11 section ten, article fifteen-a, chapter thirty-one of this code,  
12 for the fiscal year beginning July 1, 2014, any moneys disbursed  
13 from the West Virginia Infrastructure Fund in the form of grants  
14 shall not exceed fifty percent of the total funds available for the  
15 funding of projects.

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

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

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

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

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

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

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

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

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

24 **§29-22A-10e. Changes in distribution of excess net terminal**

1                   income; distributions from excess lottery fund.

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

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

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

1 the Lottery in accordance with appropriations.

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

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

15 (f) Notwithstanding the provisions of paragraph (B),  
16 subdivision (9), subsection (a), section ten-b of this article,  
17 upon certification of the Governor to the Legislature that an  
18 independent actuary has determined that the unfunded liability of  
19 the Old Fund, as defined in chapter twenty-three of this code, has  
20 been paid or provided for in its entirety, the transfers made to  
21 the Workers' Compensation Debt Reduction Fund pursuant to paragraph  
22 (A), subdivision (9), subsection (a), section ten-b of this article  
23 shall expire and those funds shall remain in the State Excess  
24 Lottery Revenue Fund subject to appropriation.

1 **§29-22A-10f. Changes in distribution of surcharge.**

2 (a) Notwithstanding any provision of subsection (b), section  
3 ten-c of this article to the contrary, for the fiscal year  
4 beginning July 1, 2014, and each fiscal year thereafter, each  
5 distribution made pursuant to section ten-c of this article shall  
6 be reduced by ten percent.

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

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

12 **§29-22C-27a. Changes in distribution of adjusted gross receipts;**  
13 **distributions from excess lottery fund.**

14 (a) Notwithstanding any provision of section twenty-seven of  
15 this article to the contrary, for the fiscal year beginning July 1,  
16 2014, and each fiscal year thereafter, the distribution directed  
17 pursuant to subdivision (1), subsection (d) of that section shall  
18 be reduced by one hundred percent.

19 (b) The total amount of reductions resulting from subsection  
20 (a) of this section shall be paid into the State Excess Lottery  
21 Revenue Fund created in section eighteen-a, article twenty-two of  
22 this chapter. For the fiscal year beginning July 1, 2014, and each  
23 fiscal year thereafter, distributions to be made pursuant to  
24 subdivisions (2) and (3), subsection (c), section twenty-seven of



1 this article shall be reduced by ten percent, and the amounts  
2 resulting from the reduction shall be paid into the State Excess  
3 Lottery Revenue Fund.

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

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

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

22 **ARTICLE 25. AUTHORIZED GAMING FACILITY.**

23 **§29-25-22b. Changes in distribution of adjusted gross receipts**  
24 **and additional income; distributions from excess**

1                    **lottery fund.**

2            (a) Notwithstanding any provision of section twenty-two of  
3 this article to the contrary, for the fiscal year beginning July 1,  
4 2014, and each fiscal year thereafter, after payment of the  
5 commission's expenses pursuant to subsection (b), section  
6 twenty-two of this article, each distribution made in subsection  
7 (c), section twenty-two of this article from gross terminal income,  
8 and each distribution of the balance of the Historic Resort Hotel  
9 Fund made in subsection (d), section twenty-two of this article,  
10 except subdivisions (4), (5) (6), (7) and (8) of that subsection,  
11 shall be reduced by one hundred percent. Payments shall not be  
12 made pursuant to section twenty-two of this article, other than  
13 those excepted by this subsection, and are made in lieu thereof in  
14 an amount to be determined by appropriation from the State Excess  
15 Lottery Revenue Fund.

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

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

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

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

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.

§29-22A-10d, §29-22A-10e, §29-22A-10f, §29-22C-27a and §29-25-22b are new; therefore, it has been completely underscored.