

H. B. 4534

(By Delegates Canterbury, Ambler, Storch,
A. Evans, Perdue, Moye, Young and Manypenny)

[Introduced February 14, 2014; referred to the
Committee on the Judiciary then Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §29-25-22 of the Code of West Virginia,
1931, as amended, relating to the creation of a Historic
Resort Hotel Employee Retirement Fund within the Historic
Resort Hotel Fund in the State Treasury; reducing the amount
of net income paid by the Historic Resort Hotel Fund to the
General Revenue Fund from sixty-four percent to sixty percent;
and designating that four percent of net income of the
Historic Resort Hotel Fund be paid to the Historic Resort
Hotel Employee Retirement Fund.

Be it enacted by the Legislature of West Virginia:

That §29-25-22 of the Code of West Virginia, 1931, as amended,
be amended and reenacted to read as follows:

ARTICLE 25. AUTHORIZED GAMING FACILITY.

**§29-25-22. Historic Resort Hotel Fund; allocation of adjusted
gross receipts; disposition of license fees.**

1 (a) There is ~~hereby~~ created a special fund in the State
2 Treasury which shall be designated and known as the Historic Resort
3 Hotel Fund. Thirty-six percent of the gross terminal income
4 received by the commission under section twenty of this article and
5 thirty percent of the adjusted gross receipts received by the
6 commission under section twenty-one of this article shall be
7 deposited with the State Treasurer and placed in the Historic
8 Resort Hotel Fund. The fund shall be an interest-bearing account
9 with interest to be credited to and deposited in the Historic
10 Resort Hotel Fund.

11 (b) All expenses of the commission shall be paid from the
12 Historic Resort Hotel Fund, including reimbursement of the State
13 Police for activities performed at the request of the commission in
14 connection with background investigations or enforcement activities
15 pursuant to this article. At no time may the commission's expenses
16 under this article exceed fifteen percent of the total of the
17 annual revenue received from the licensee under this article,
18 including all license fees, taxes or other amounts required to be
19 deposited in the Historic Resort Hotel Fund.

20 (c) An Historic Resort Hotel Modernization Fund is ~~hereby~~
21 created within the Historic Resort Hotel Fund. For all fiscal years
22 beginning on or after July 1, 2011, the commission shall deduct two
23 and one-half percent from gross terminal income received by the
24 commission under section twenty of this article for the fiscal year

1 and deposit these amounts into a separate facility modernization
2 account maintained within the Historic Resort Hotel Modernization
3 Fund for each historic resort hotel. For each dollar expended by a
4 historic resort hotel for video lottery or table gaming facility
5 modernization improvements at the historic resort hotel, having a
6 useful life of three or more years and placed in service after
7 April 1, 2011, the historic resort hotel shall receive \$1 in
8 recoupment from its facility modernization account. For purposes of
9 this section, the term "video lottery or table gaming facility
10 modernization improvements" include acquisition of computer
11 hardware and software, communications and Internet access
12 equipment, security and surveillance equipment, video lottery
13 terminals and other electronic equipment or other equipment
14 designed to modernize the facility.

15 (d) A Historic Resort Hotel Employee Retirement Fund is
16 created within the Historic Resort Hotel Fund. For all fiscal years
17 beginning on or after July 1, 2014, the commission shall deduct
18 four percent from gross terminal income received by the commission
19 under section twenty of this article for the fiscal year and
20 deposit these amounts into a separate employee retirement account
21 maintained within the Historic Resort Hotel Employee Retirement
22 Fund for each historic resort hotel. Moneys within the Historic
23 Resort Hotel Employee Retirement Fund shall be used to provide
24 matching funds for retirement accounts, pursuant to 26 U.S.C. §

1 401(k), of historic resort hotel employees.

2 ~~(d)~~ (e) The balance of the Historic Resort Hotel Fund shall
3 become net income and shall be divided as follows:

4 (1) ~~Sixty-four~~ Sixty percent of the Historic Resort Hotel Fund
5 net income shall be paid into the General Revenue Fund to be
6 appropriated by the Legislature;

7 (2) Nineteen percent of the Historic Resort Hotel Fund net
8 income shall be paid into the State Debt Reduction Fund established
9 in section twenty-seven, article twenty-two-c of this chapter to be
10 appropriated by the Legislature;

11 (3) Four percent of the Historic Resort Hotel Fund net income
12 shall be paid into the Historic Resort Hotel Employee Retirement
13 Fund created in subsection (d) of this section;

14 ~~(3)~~ (4) The Tourism Promotion Fund established in section
15 twelve, article two, chapter five-b of this code shall receive
16 three percent of the Historic Resort Hotel Fund net income;

17 ~~(4)~~ (5) The county where the gaming facility is located shall
18 receive four percent of the Historic Resort Hotel Fund net income;

19 ~~(5)~~ (6) The municipality where the gaming facility is located
20 or the municipality closest to the gaming facility by paved road
21 access as of the effective date of the reenactment of this section
22 by the 2009 regular session of the Legislature shall receive two
23 and one-half percent of the Historic Resort Hotel Fund net income;

24 ~~(6)~~ (7) The municipalities within the county where the gaming

1 facility is located, except for the municipality receiving funds
2 under subdivision ~~(5)~~ (6) of this subsection, shall receive equal
3 shares of two and one-half percent of the Historic Resort Hotel
4 Fund net income;

5 ~~(7)~~ (8) Each county commission in the state that is not
6 eligible to receive a distribution under subdivision ~~(4)~~ (5) of
7 this subsection shall receive equal shares of two and one-half
8 percent of the Historic Resort Hotel Fund net income: *Provided,*
9 That funds transferred to the county commission under this
10 subdivision ~~shall be~~ are used only to pay regional jail expenses
11 and the costs of infrastructure improvements and other capital
12 improvements; and

13 ~~(8)~~ (9) The governing body of each municipality in the state
14 that is not eligible to receive a distribution under subdivisions
15 ~~(5)~~ (6) and ~~(6)~~ (7) of this subsection shall receive equal shares
16 of two and one-half percent of the Historic Resort Hotel Fund net
17 income: *Provided,* That funds transferred to municipalities under
18 this subdivision ~~shall be~~ are used only to pay for debt reduction
19 in municipal police and fire pension funds and the costs of
20 infrastructure improvements and other capital improvements.

21 ~~(e)~~ (f) Notwithstanding any provision of this article to the
22 contrary, all limited gaming facility license fees and license
23 renewal fees received by the commission pursuant to section nine of
24 this article shall be deposited into the Community-Based Service

1 Fund created in section twenty-seven, article twenty-two-c of this
2 chapter.

3 ~~(f)~~ (g) With the exception of the license fees and license
4 renewal fees received by the commission pursuant to section nine of
5 this article, all revenues received from licensees and license
6 applicants under this article shall be retained by the commission
7 as reimbursement for the licensing process.

NOTE: The purpose of this bill is to create a Historic Resort Hotel Employee Retirement Fund within the Historic Resort Hotel Fund in the State Treasury, reduce the amount of net income of the Historic Resort Hotel Fund being paid to the General Revenue Fund from sixty-four percent to sixty percent, and designate that four percent of net income of the Historic Resort Hotel Fund be paid to the Historic Resort Hotel Employee Retirement Fund.

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