

1 COMMITTEE SUBSTITUTE

2 FOR

3 **H. B. 4333**

4 (By Mr. Speaker, (Mr. Miley) and Delegate Armstead)
5 [By Request of the Executive])

6 (Originating in the Committee on Finance)

7 [February 21, 2014]

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9
10 A BILL to amend and reenact §29-22-18d of the Code of West
11 Virginia, 1931, as amended; to amend said code by adding
12 thereto three new sections, designated §29-22A-10d,
13 §29-22A-10e and §29-22A-10f; to amend said code by adding
14 thereto a new section, designated §29-22C-27a; and to amend
15 said code by adding thereto a new section, designated
16 §29-25-22b, all relating to the transfer of certain revenues
17 derived from lottery activities generally; reducing the
18 distribution to the West Virginia Infrastructure Fund to \$20
19 million for fiscal year 2015; transferring certain revenues
20 derived from racetrack video lottery, lottery racetrack table
21 games and lottery historic hotel gaming facility activities to
22 the state excess lottery revenue fund and distributing
23 revenues from the state excess lottery revenue fund to certain
24 distributees, all for fiscal year 2015.

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

26 That §29-22-18d of the Code of West Virginia, 1931, as
27 amended, be amended and reenacted; that said code be amended by
28 adding thereto three new sections, designated §29-22A-10d,

1 §29-22A-10e and §29-22A-10f; that said code be amended by adding
2 thereto a new section, designated §29-22C-27a; and that said code
3 be amended by adding thereto a new section, designated §29-25-22b,
4 all to read as follows:

5 **ARTICLE 22. STATE LOTTERY ACT.**

6 **§29-22-18d. Increase in allocation to West Virginia**
7 **Infrastructure Fund from State Excess Lottery**
8 **Revenue Fund.**

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

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

27 **§29-22A-10d. Changes in distribution of net terminal income;**
28 **distributions from excess lottery fund.**

1 (a) Notwithstanding any provision of subsection (b), section
2 ten of this article to the contrary, for the fiscal year beginning
3 July 1, 2014, the distributions for transfer to the Licensed
4 Racetrack Modernization Fund pursuant to subsection (b), section
5 ten of this article, shall be reduced by one hundred percent.

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, each distribution expressed as a percentage of net
9 terminal income, except those distributions to be made pursuant to
10 subdivisions (1), (3) and (7) subsection (c), section ten of this
11 article, shall be reduced by one hundred percent.

12 (c) The total amount of reductions resulting from subsections
13 (a) and (b) of this section shall be paid into the State Excess
14 Lottery Revenue Fund, created by section eighteen-a, article
15 twenty-two of this chapter.

16 (d) Notwithstanding any other provision of this code to the
17 contrary, for the fiscal year beginning July 1, 2014, after meeting
18 the requirements for the payment of debt service as provided under
19 sections eighteen and eighteen-a, article twenty-two of this
20 chapter, from the State Excess Lottery Revenue Fund created in
21 section eighteen-a, article twenty-two of this chapter, there shall
22 be distributed to the distributees to which the distributions would
23 have been made under section ten of this article but for the
24 reductions required by this section as follows:

25 (1) One hundred percent of the amount of the distribution
26 provided under subdivisions (4) and (9), subsection (c), section
27 ten of this article; and

28 (2) Ninety percent of the amount of the distribution provided

1 under subdivisions (2), (5), (6), all provisions of subdivision (8)
2 except subparagraph (iv), paragraph (B) thereof, and subdivision
3 (10), all of subsection (c), section ten of this article.

4 **§29-22A-10e. Changes in distribution of excess net terminal**
5 **income; distributions from excess lottery fund.**

6 (a) Notwithstanding any provision of subsection (a), section
7 ten-b of this article to the contrary, for the fiscal year
8 beginning July 1, 2014, each distribution expressed as a percentage
9 of excess of total net terminal income, except those distributions
10 to be made pursuant to subdivisions (1), (3) and (7), subsection
11 (a), section ten-b of this article, shall be reduced by one hundred
12 percent.

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

17 (c) Notwithstanding any other provision of this code to the
18 contrary, for the fiscal year beginning July 1, 2014, after meeting
19 the requirements for the payment of debt service as provided under
20 sections eighteen and eighteen-a, article twenty-two of this
21 chapter, from the State Excess Lottery Revenue Fund created in
22 section eighteen-a, article twenty-two of this chapter, there shall
23 be distributed to the distributees to which the distributions would
24 have been made under section ten-b of this article but for the
25 reductions required by this section as follows:

26 (1) One hundred percent of the amount of the distribution
27 provided under subdivisions (4), (9) and paragraph (B), subdivision
28 (10), subsection (a), section ten-b of this article; and

1 (2) Ninety percent of the amount of the distribution provided
2 under subdivisions (2), (5) (6) and (8), subsection (a), section
3 ten-b of this article.

4 **§29-22A-10f. Changes in distribution of surcharge; distributions**
5 **from excess lottery fund.**

6 (a) Notwithstanding any provision of subsection (b), section
7 ten-c of this article to the contrary, for the fiscal year
8 beginning July 1, 2014, each distribution expressed as a percentage
9 of excess of total net terminal income under section ten-c of this
10 article, shall be reduced by one hundred percent.

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 of
14 this chapter.

15 (c) Notwithstanding any other provision of this code to the
16 contrary, for the fiscal year beginning July 1, 2014, after meeting
17 the requirements for the payment of debt service as provided under
18 sections eighteen and eighteen-a, article twenty-two of this
19 chapter, from the State Excess Lottery Revenue Fund created in
20 section eighteen-a, article twenty-two of this chapter, there shall
21 be distributed to the distributee to which the distributions would
22 have been made under section ten-c of this article but for the
23 reductions required by this section as follows:

24 Ninety percent of the amount of the distribution provided
25 under subsection (b), section ten-c of this article.

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

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

1 (a) Notwithstanding any provision of section twenty-seven of
2 this article to the contrary, for the fiscal year beginning July 1,
3 2014, each distribution expressed as a percentage of adjusted gross
4 receipts found in subsection (c) of that section, except
5 subdivisions (1), (4), (5), (6) and (7) of that subsection, and
6 each distribution expressed as a percentage of net amounts found in
7 subsection (d) of that section, except subdivisions (3) and (4) of
8 that subsection, shall be reduced by one hundred percent.

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

13 (c) Notwithstanding any other provision of this code to the
14 contrary, for the fiscal year beginning July 1, 2014, after meeting
15 the requirements for the payment of debt service as provided under
16 sections eighteen and eighteen-a, article twenty-two of this
17 chapter, from the State Excess Lottery Revenue Fund created in
18 section eighteen-a, article twenty-two of this chapter, there shall
19 be distributed to the distributees to which the distributions would
20 have been made under section twenty-seven of this article but for
21 the reductions required by this section as follows:

22 (1) One hundred percent of the amount of the distribution
23 provided under subdivisions (1) and (2), subsection (d), section
24 twenty-seven of this article; and

25 (2) Ninety percent of the amount of the distribution provided
26 under subdivisions (2) and (3), subsection (c), section
27 twenty-seven of this article.

28 **ARTICLE 25. AUTHORIZED GAMING FACILITY.**

1 **§29-25-22b. Changes in distribution of adjusted gross receipts and**
2 **additional income; distributions from excess lottery fund.**

3 (a) Notwithstanding any provision of section twenty-two of
4 this article to the contrary, for the fiscal year beginning July 1,
5 2014, after payment of the commission's expenses pursuant to
6 subsection (b), section twenty-two of this article, each
7 distribution made in subsection (c), section twenty-two of this
8 article from gross terminal income, and each distribution of the
9 balance of the Historic Resort Hotel Fund made in subsection (d),
10 section twenty-two of this article, except subdivisions (4), (5)
11 (6), (7) and (8) of that subsection, shall be reduced by one
12 hundred percent.

13 (b) Notwithstanding any provision of section twenty-two-a of
14 this article to the contrary, for the fiscal year beginning July 1,
15 2014, each distribution made in subsection (a), section twenty-two-
16 a of this article shall be reduced by one hundred percent.

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

21 (d) Notwithstanding any other provision of this code to the
22 contrary, for the fiscal year beginning July 1, 2014, after meeting
23 the requirements for the payment of debt service as provided under
24 sections eighteen and eighteen-a, article twenty-two of this
25 chapter, from the State Excess Lottery Revenue Fund created in
26 section eighteen-a, article twenty-two of this chapter, there shall
27 be distributed to the distributees to which the distributions would
28 have been made under section twenty-two and twenty-two-a of this

1 article but for the reductions required by this section as follows:

2 (1) One hundred percent of the amount of the distribution
3 provided under subdivisions (1) and (2), subsection (d), section
4 twenty-two of this article; and one hundred percent of the amount
5 of the distribution provided under section twenty-two-a of this
6 article

7 (2) Ninety percent of the amount of the distribution provided
8 under subdivision (3), subsection (d), section twenty-two of this
9 article.