

1 **ENGROSSED**

2 **COMMITTEE SUBSTITUTE**

3 **FOR**

4 **H. B. 4333**

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

7 (Originating in the Committee on Finance)

8 [February 21, 2014]

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; Provided,
26 however, That notwithstanding any provision of subsection (a),
27 section ten, article fifteen-a, chapter thirty-one of this code to
28 the contrary, for the fiscal year beginning July 1, 2014, any

1 moneys disbursed from the West Virginia Infrastructure Fund in the
2 form of grants shall not exceed fifty percent of the total funds
3 available for the funding of projects.

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

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

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

12 (b) Notwithstanding any provision of subsection (c), section
13 ten of this article to the contrary, for the fiscal year beginning
14 July 1, 2014, each distribution expressed as a percentage of net
15 terminal income, except those distributions to be made pursuant to
16 subdivisions (1), (3) and (7) subsection (c), section ten of this
17 article, shall be reduced by one hundred percent.

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

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

1 have been made under section ten of this article but for the
2 reductions required by this section as follows:

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

6 (2) Ninety percent of the amount of the distributions for
7 transfer to the Licensed Racetrack Modernization Fund provided
8 under subsection (b), section ten of this article”, followed by a
9 semicolon, and by redesignating the remaining subdivision
10 accordingly; and

11 (3) Ninety percent of the amount of the distribution provided
12 under subdivisions (2), (5), (6), all provisions of subdivision (8)
13 except subparagraph (iv), paragraph (B) thereof, and subdivision
14 (10), all of subsection (c), section ten of this article.

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

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

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

28 (c) Notwithstanding any other provision of this code to the

1 contrary, for the fiscal year beginning July 1, 2014, after meeting
2 the requirements for the payment of debt service as provided under
3 sections eighteen and eighteen-a, article twenty-two of this
4 chapter, from the State Excess Lottery Revenue Fund created in
5 section eighteen-a, article twenty-two of this chapter, there shall
6 be distributed to the distributees to which the distributions would
7 have been made under section ten-b of this article but for the
8 reductions required by this section as follows:

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

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

15 **§29-22A-10f. Changes in distribution of surcharge; distributions**
16 **from excess lottery fund.**

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

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

26 (c) Notwithstanding any other provision of this code to the
27 contrary, for the fiscal year beginning July 1, 2014, after meeting
28 the requirements for the payment of debt service as provided under

1 sections eighteen and eighteen-a, article twenty-two of this
2 chapter, from the State Excess Lottery Revenue Fund created in
3 section eighteen-a, article twenty-two of this chapter, there shall
4 be distributed to the distributee to which the distributions would
5 have been made under section ten-c of this article but for the
6 reductions required by this section as follows:

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

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

10 **§29-22C-27a. Changes in distribution of adjusted gross receipts;**
11 **distributions from excess lottery fund.**

12 (a) Notwithstanding any provision of section twenty-seven of
13 this article to the contrary, for the fiscal year beginning July 1,
14 2014, each distribution expressed as a percentage of adjusted gross
15 receipts found in subsection (c) of that section, except
16 subdivisions (1), (4), (5), (6) and (7) of that subsection, and
17 each distribution expressed as a percentage of net amounts found in
18 subsection (d) of that section, except subdivisions (3) and (4) of
19 that subsection, shall be reduced by one hundred percent.

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

24 (c) Notwithstanding any other provision of this code to the
25 contrary, for the fiscal year beginning July 1, 2014, after meeting
26 the requirements for the payment of debt service as provided under
27 sections eighteen and eighteen-a, article twenty-two of this
28 chapter, from the State Excess Lottery Revenue Fund created in

1 section eighteen-a, article twenty-two of this chapter, there shall
2 be distributed to the distributees to which the distributions would
3 have been made under section twenty-seven of this article but for
4 the reductions required by this section as follows:

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

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

11 **ARTICLE 25. AUTHORIZED GAMING FACILITY.**

12 **§29-25-22b. Changes in distribution of adjusted gross receipts and**
13 **additional income; distributions from excess lottery fund.**

14 (a) Notwithstanding any provision of section twenty-two of
15 this article to the contrary, for the fiscal year beginning July 1,
16 2014, after payment of the commission's expenses pursuant to
17 subsection (b), section twenty-two of this article, each
18 distribution made in subsection (c), section twenty-two of this
19 article from gross terminal income, and each distribution of the
20 balance of the Historic Resort Hotel Fund made in subsection (d),
21 section twenty-two of this article, except subdivisions (4), (5)
22 (6), (7) and (8) of that subsection, shall be reduced by one
23 hundred percent.

24 (b) Notwithstanding any provision of section twenty-two-a of
25 this article to the contrary, for the fiscal year beginning July 1,
26 2014, each distribution made in subsection (a), section twenty-two-
27 a of this article shall be reduced by one hundred percent.

28 (c) The total amount of reductions resulting from subsections

1 (a) and (b) of this section shall be paid into the State Excess
2 Lottery Revenue Fund created in section eighteen-a, article
3 twenty-two of this chapter.

4 (d) Notwithstanding any other provision of this code to the
5 contrary, for the fiscal year beginning July 1, 2014, after meeting
6 the requirements for the payment of debt service as provided under
7 sections eighteen and eighteen-a, article twenty-two of this
8 chapter, from the State Excess Lottery Revenue Fund created in
9 section eighteen-a, article twenty-two of this chapter, there shall
10 be distributed to the distributees to which the distributions would
11 have been made under section twenty-two and twenty-two-a of this
12 article but for the reductions required by this section as follows:

13 (1) One hundred percent of the amount of the distribution
14 provided under subdivisions (1) and (2), subsection (d), section
15 twenty-two of this article; and one hundred percent of the amount
16 of the distribution provided under section twenty-two-a of this
17 article

18 (2) Ninety percent of the amount of the distribution provided
19 under subdivision (3), subsection (d), section twenty-two of this
20 article.