

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 244

BY STATE AFFAIRS COMMITTEE

AN ACT

1
2 RELATING TO THE STATE LOTTERY; AMENDING SECTION 67-7434, IDAHO CODE, TO RE-
3 VISE THE FORMULA FOR DISTRIBUTION OF LOTTERY NET INCOME AND DIVIDENDS;
4 AMENDING SECTION 67-7434, IDAHO CODE, AS ENACTED BY SECTION 5, CHAPTER
5 337, LAWS OF 2014, TO REVISE THE FORMULA FOR DISTRIBUTION OF LOTTERY NET
6 INCOME AND DIVIDENDS; AND PROVIDING AN EFFECTIVE DATE.

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Section 67-7434, Idaho Code, be, and the same is hereby
9 amended to read as follows:

10 67-7434. LOTTERY NET INCOME AND DIVIDENDS DISTRIBUTION. (1) Total net
11 income, as defined in this chapter, as determined on an annual basis, shall
12 be no less than twenty-nine percent (29%) of lottery revenue. Annually, on
13 July 1, the lottery shall transfer five hundred thousand dollars (\$500,000)
14 of its net income to the racing commission for live Idaho horse race meet
15 purse enhancement; three-eighths (3/8) of its net income to the permanent
16 building account; three-eighths (3/8) of its net income to the school dis-
17 trict building account; and one-fourth (1/4) of its net income to the bond
18 levy equalization fund after reserving sufficient moneys to ensure the con-
19 tinuation of the lottery, as determined by the director and commission.

20 (2) The lottery shall ensure that the distributions made to the perma-
21 nent building account and the school district building account, pursuant to
22 the provisions of subsection (1) of this section, shall not be less than the
23 amount those accounts received for fiscal year 2008~~14~~14, provided funds are
24 available at the fiscal year 2008~~14~~14 level. Provided however, in the event
25 the ~~level of available funds~~ net income in a fiscal year is less than the net
26 income at the fiscal year 2008~~14~~14 level, one-half (1/2) of the available funds
27 shall be transferred to the permanent building account and one-half (1/2) of
28 the available funds shall be transferred to the school district building ac-
29 count.

30 ~~(3) In the event the lottery determines that an adjustment to an annual~~
31 ~~transfer as provided in subsection (1) of this section must be made pursuant~~
32 ~~to the provisions of subsection (2) of this section, the difference shall be~~
33 ~~deducted from the one-fourth (1/4) net income transfer that was to be made to~~
34 ~~the bond levy equalization fund, and the bond levy equalization fund shall~~
35 ~~receive the remainder, if any no greater than two hundred fifty thousand dol-~~
36 ~~lars (\$250,000) otherwise dedicated to the racing commission for live Idaho~~
37 ~~horse race meet purse enhancement in subsection (1) of this section shall in-~~
38 ~~stead be transferred and divided one-half (1/2) to the permanent building~~
39 ~~account and one-half (1/2) to the school district building account.~~

1 SECTION 2. That Section 67-7434, Idaho Code, as enacted by Section 5,
2 Chapter 337, Laws of 2014, be, and the same is hereby amended to read as fol-
3 lows:

4 67-7434. LOTTERY NET INCOME AND DIVIDENDS DISTRIBUTION. (1) Total net
5 income, as defined in this chapter, as determined on an annual basis, shall
6 be no less than twenty-nine percent (29%) of lottery revenue. Annually, on
7 July 1, the lottery shall transfer one-half (1/2) of its net income to the
8 permanent building account and one-half (1/2) of its net income to the school
9 district building account, after reserving sufficient moneys to ensure the
10 continuation of the lottery, as determined by the director and commission.

11 (2) ~~Beginning on July 1, 2009, the distribution of net income provided~~
12 ~~for in subsection (1) of this section shall be superseded by the provisions~~
13 ~~of this subsection (2).~~

14 ~~(a) Annually, on July 1, the lottery shall transfer three-eighths (3/8)~~
15 ~~of its net income to the permanent building account; three-eighths~~
16 ~~(3/8) of its net income to the school district building account; and~~
17 ~~one-fourth (1/4) of its net income to the bond levy equalization fund~~
18 ~~after reserving sufficient moneys to ensure the continuation of the~~
19 ~~lottery, as determined by the director and commission.~~

20 Annually, on July 1, the lottery shall transfer five hundred thousand
21 dollars (\$500,000) of its net income to the racing commission for live Idaho
22 horse race meet purse enhancement; one-half (1/2) of its net income to the
23 permanent building account and one-half (1/2) of its net income to the school
24 district building account, after reserving sufficient moneys to ensure the
25 continuation of the lottery, as determined by the director and commission.

26 ~~(b3) The lottery shall ensure that the distributions made to the per-~~
27 ~~manent building account and the school district building account,~~
28 ~~pursuant to the provisions of paragraph subsection (a2) of this sub-~~
29 ~~section, shall not be less than the amount those accounts received for~~
30 ~~fiscal year 2008, provided funds are available at the fiscal year 2008~~
31 ~~level. Provided however, in the event the level of available funds net~~
32 ~~income in a fiscal year is less than the net income at the fiscal year~~
33 ~~2008 level, one-half (1/2) of the available funds shall be transferred~~
34 ~~to the permanent building account and one-half (1/2) of the available~~
35 ~~funds shall be transferred to the school district building account.~~

36 ~~(c) In the event the lottery determines that an adjustment to an annual~~
37 ~~transfer as provided in paragraph (a) of this subsection must be made~~
38 ~~pursuant to the provisions of paragraph (b) of this subsection, the dif-~~
39 ~~ference shall be deducted from the one-fourth (1/4) net income transfer~~
40 ~~that was to be made to the bond levy equalization fund, and the bond levy~~
41 ~~equalization fund shall receive the remainder, if any.~~

42 ~~(d) The provisions of this subsection (2) shall be null, void and of~~
43 ~~no force and effect on and after September 30, 2014 no greater than two~~
44 ~~hundred fifty thousand dollars (\$250,000) otherwise dedicated to the~~
45 ~~racing commission for live Idaho horse race meet purse enhancement in~~
46 ~~subsection (2) of this section shall instead be transferred and divided~~
47 ~~one-half (1/2) to the permanent building account and one-half (1/2) to~~
48 ~~the school district building account.~~

1 SECTION 3. Section 2 of this act shall be in full force and effect on and
2 after July 1, 2019.