WEST VIRGINIA LEGISLATURE
SECOND REGULAR SESSION, 2000

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ENROLLED

House Bill No. 4689
(By Delegates Faircloth, Doyle and Manuel)

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Passed March 18, 2000

In Effect from Passage
AN ACT to amend and reenact sections thirteen and thirteen-b, article twenty-three, chapter nineteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended; to further amend said article twenty-three by adding thereto a new section, designated section thirteen-c; and to amend and reenact section ten, article twenty-two-a, chapter twenty-nine of said code, all relating generally to horse and dog racing; disposition of funds for payment of outstanding and unredeemed pari-mutuel tickets; increasing prize money for restricted races; defining West Virginia-bred foal; limiting qualification for payments from West Virginia accredited race fund to West Virginia-bred foals; providing for distribution of racetrack video lottery money for purses at breeders’ classic to be expended as provided in racing statutes; and making technical changes that make the code more readable and delete obsolete language.

Be it enacted by the Legislature of West Virginia:
That sections thirteen and thirteen-b, article twenty-three, chapter nineteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; that said article twenty-three be further amended by adding thereto a new section, designated section thirteen-c; and that section ten, article twenty-two-a, chapter twenty-nine of said code, be amended and reenacted, all to read as follows:

CHAPTER 19. AGRICULTURE.

ARTICLE 23. HORSE AND DOG RACING.

§19-23-13. Disposition of funds for payment of outstanding and unredeemed pari-mutuel tickets; publication of notice; irredeemable tickets; stake races for dog tracks.

(a) All moneys held by any licensee for the payment of outstanding and unredeemed pari-mutuel tickets, if not claimed within ninety days after the close of a horse or dog race meeting or the televised racing day, as the case may be, in connection with which the tickets were issued, shall be turned over by the licensee to the racing commission within fifteen days after the expiration of the ninety-day period, and the licensee shall give any information required by the racing commission concerning the outstanding and unredeemed tickets. The moneys shall be deposited by the racing commission in a banking institution of its choice in a special account to be known as “West Virginia Racing Commission Special Account - Unredeemed Pari-Mutuel Tickets”. Notice of the amount, date and place of each deposit shall be given by the racing commission, in writing, to the state treasurer. The racing commission shall then cause to be published a notice to the holders of the outstanding and unredeemed pari-mutuel tickets, notifying them to present their unredeemed tickets for payment at the principal office of the racing commission within ninety days from the date of the publication of the notice. The notice shall be published within
fifteen days following the receipt of the outstanding and unredeemed pari-mutuel ticket moneys by the commission from the licensee as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for the publication shall be the county in which the horse or dog race meeting was held and the county in which the televised racing day wagering was conducted in this state.

(b) Any outstanding and unredeemed pari-mutuel tickets that are not presented for payment within ninety days from the date of the publication of the notice are thereafter irredeemable, and the moneys theretofore held for the redemption of the pari-mutuel tickets shall become the property of the racing commission and shall be expended as provided in this subsection. The racing commission shall maintain separate accounts for each licensee and shall record in each separate account the moneys turned over by the licensee and the amount expended at the licensee’s track for the purposes set forth in this subsection. The moneys in the “West Virginia Racing Commission Special Account - Unredeemed Pari-Mutuel Tickets” shall be expended as follows:

(1) To the owner of the winning horse in any horse race at a horse race meeting held or conducted by any licensee: Provided, That the owner of the horse is at the time of the horse race a bona fide resident of this state, a sum equal to ten percent of the purse won by the horse at that race. The commission may require proof that the owner was, at the time of the race, a bona fide resident of this state. Upon proof by the owner that he or she filed a personal income tax return in this state for the previous two years and that he or she owned real or personal property in this state and paid taxes in this state on real or personal property for the previous two years, he or she shall be presumed to be a bona fide resident of this state; and
(2) To the breeder (that is, the owner of the mare) of the winning horse in any horse race at a horse race meeting held or conducted by any licensee: Provided, That the mare foaled in this state, a sum equal to ten percent of the purse won by the horse; and

(3) To the owner of the stallion which sired the winning horse in any horse race at a horse race meeting held or conducted by any licensee: Provided, That the mare which foaled the winning horse was served by a stallion standing and registered in this state, a sum equal to ten percent of the purse won by the horse; and

(4) To those horse racing licensees not participating in the thoroughbred development fund authorized in section thirteen-b of this article, the unexpended balance of the licensee’s account not expended as provided in subdivisions (1), (2) and (3) of this subsection: Provided, That all moneys distributed under this subdivision shall be expended solely for capital improvements at the licensee’s track: Provided, however, That the capital improvements must be approved, in writing, by the West Virginia racing commission before funds are expended by the licensee for that capital improvement; and

(5) When the moneys in the special account, known as the “West Virginia Racing Commission Special Account - Unredeemed Pari-Mutuel Tickets” will more than satisfy the requirements of subdivisions (1), (2), (3) and (4) of this subsection, the West Virginia racing commission shall have the authority to expend the excess moneys from unredeemed horse racing pari-mutuel tickets as purse money in any race conditioned exclusively for West Virginia bred or sired horses, and to expend the excess moneys from unredeemed dog racing pari-mutuel tickets in supplementing purses and establishing stake races and dog racing handicaps at the dog tracks: Provided, That subject to the availability of funds, the commission shall,
after the requirements of subdivisions (1), (2), (3) and (4) of this subsection have been satisfied:

(A) Transfer annually two hundred thousand dollars to the “West Virginia Racing Commission Special Account - West Virginia Greyhound Breeding Development Fund”; and

(B) Transfer annually two hundred thousand dollars into a separate account to be used for stakes races for West Virginia bred greyhounds at dog racetracks.

(c) The commission shall submit to the legislative auditor a quarterly report and accounting of the income, expenditures and unobligated balance in the special account created by this section known as the “West Virginia Racing Commission Special Account - Unredeemed Pari-Mutuel Tickets”.

(d) Nothing contained in this article shall prohibit one person from qualifying for all or more than one of the aforesaid awards or for awards under section thirteen-b of this article.

(e) The cost of publication of the notice provided for in this section shall be paid from the funds in the hands of the state treasurer collected from the pari-mutuel pools’ tax provided for in section ten of this article, when not otherwise provided in the budget; but no such costs shall be paid unless an itemized account thereof, under oath, be first filed with the state auditor.

§19-23-13b. West Virginia thoroughbred development fund; distribution; restricted races; nonrestricted purse supplements.

(a) The racing commission shall deposit moneys required to be withheld by an association or licensee in subsection (b), section nine of this article in a banking institution of its choice in a special account to be known as “West Virginia Racing Commission Special Account — West Virginia Thoroughbred
Development Fund”. Notice of the amount, date and place of
the deposit shall be given by the racing commission, in writing,
to the state treasurer. The purpose of the fund is to promote
better breeding and racing of thoroughbred horses in the state
through awards and purses for accredited breeders/raisers, sire
owners and thoroughbred race horse owners. A further objec-
tive of the fund is to aid in the rejuvenation and development of
the present horse tracks now operating in West Virginia for
capital improvements, operations or increased purses: Provided,
That five percent of the deposits required to be withheld by an
association or licensee in subsection (b), section nine of this
article shall be placed in a special revenue account hereby
created in the state treasury called the “administration and
promotion account”.

(b) The racing commission is authorized to expend the
moneys deposited in the administration and promotion account
at such times and in such amounts as the commission deter-
mines to be necessary for purposes of administering and
promoting the thoroughbred development program: Provided,
That during any fiscal year in which the commission anticipates
spending any money from the account, the commission shall
submit to the executive department during the budget prepara-
tion period prior to the Legislature convening before that fiscal
year for inclusion in the executive budget document and budget
bill the recommended expenditures, as well as requests of
appropriations for the purpose of administration and promotion
of the program. The commission shall make an annual report to
the Legislature on the status of the administration and promo-
tion account, including the previous year’s expenditures and
projected expenditures for the next year.

(c) The fund and the account established in subsection (a)
of this section shall operate on an annual basis.

(d) Funds in the thoroughbred development fund shall be
expended for awards and purses except as otherwise provided
in this section. Annually, the first one hundred thousand dollars
of the fund shall be available for distribution for a maximum of four stakes races. One of these races shall be the West Virginia futurity and the second shall be the Frank Gall memorial stakes. The remaining races may be chosen by the committee set forth in subsection(g) of this section.

(e) Awards and purses shall be distributed as follows:

(1) The breeders/raisers of accredited thoroughbred horses that earn a purse at any West Virginia meet shall receive a bonus award calculated at the end of the year as a percentage of the fund dedicated to the breeders/raisers, which shall be sixty percent of the fund available for distribution in any one year. The total amount available for the breeders'/raisers’ awards shall be distributed according to the ratio of purses earned by an accredited race horse to the total amount earned in the races by all accredited race horses for that year as a percentage of the fund dedicated to the breeders/raisers. However, no breeder/raiser may receive from the fund dedicated to breeders'/raisers’ awards an amount in excess of the earnings of the accredited horse at West Virginia meets. In addition, should a horse’s breeder and raiser qualify for the same award on the same horse, they will each be awarded one half of the proceeds. The bonus referred to in this subdivision (1) shall only be paid on the first one hundred thousand dollars of any purse, and not on any amounts in excess thereof.

(2) The owner of a West Virginia sire of an accredited thoroughbred horse that earns a purse in any race at a West Virginia meet shall receive a bonus award calculated at the end of the year as a percentage of the fund dedicated to sire owners, which shall be fifteen percent of the fund available for distribution in any one year. The total amount available for the sire owners’ awards shall be distributed according to the ratio of purses earned by the progeny of accredited West Virginia stallions in the races for a particular stallion to the total purses
74 earned by the progeny of all accredited West Virginia stallions
75 in the races. However, no sire owner may receive from the fund
76 dedicated to sire owners an amount in excess of thirty-five
77 percent of the accredited earnings for each sire. The bonus
78 referred to in this subdivision (2) shall only be paid on the first
79 one hundred thousand dollars of any purse, and not on any
80 amounts in excess thereof.

81 (3) The owner of an accredited thoroughbred horse that
82 earns a purse in any race at a West Virginia meet shall receive
83 a restricted purse supplement award calculated at the end of the
84 year, which shall be twenty-five percent of the fund available
85 for distribution in any one year, based on the ratio of the
86 earnings in the races of a particular race horse to the total
87 amount earned by all accredited race horses in the races during
88 that year as a percentage of the fund dedicated to purse supple-
89 ments. However, the owners may not receive from the fund
90 dedicated to purse supplements an amount in excess of thirty-
91 five percent of the total accredited earnings for each accredited
92 race horse. The bonus referred to in this subdivision shall only
93 be paid on the first one hundred thousand dollars of any purse,
94 and not on any amounts in excess thereof.

95 (4) In no event shall purses earned at a meet held at a track
96 which did not make a contribution to the thoroughbred develop-
97 ment fund out of the daily pool on the day the meet was held
98 qualify or count toward eligibility for an award under this
99 subsection (e).

100 (5) Any balance in the breeders/raisers, sire owners and
101 purse supplement funds after yearly distributions shall first be
102 utilized to fund the races established in subsection (g) of this
103 section. Any amount not so used shall revert back into the
general account of the thoroughbred development fund for
distribution in the next year.
Distribution shall be made on the fifteenth day of each February for the preceding year's achievements.

(f) The remainder, if any, of the thoroughbred development fund that is not available for distribution in the program provided for in subsection (e) of this section in any one year is reserved for regular purses, marketing expenses and for capital improvements in the amounts and under the conditions provided in this subsection (f).

1. Fifty percent of the remainder shall be reserved for payments into the regular purse fund established in subsection (b), section nine of this article.

2. Up to five hundred thousand dollars per year shall be available for:

(A) Capital improvements at the eligible licensed horse racing tracks in the state; and

(B) Marketing and advertising programs above and beyond two hundred fifty thousand dollars for the eligible licensed horse racing tracks in the state: Provided, That moneys shall be expended for capital improvements or marketing and advertising purposes as described in this subsection only in accordance with a plan filed with and receiving the prior approval of the racing commission, and on a basis of fifty percent participation by the licensee and fifty percent participation by moneys from the fund, in the total cost of approved projects: Provided, however, That funds approved for one track may not be used at another track unless the first track ceases to operate or is viewed by the commission as unworthy of additional investment due to financial or ethical reasons.

(g)(1) Each pari-mutuel thoroughbred horse track shall provide at least one restricted race per three racing days.
(2) The restricted races established in this subsection shall be administered by a three-member committee consisting of:

(A) The racing secretary;

(B) A member appointed by the authorized representative of a majority of the owners and trainers at the thoroughbred track; and

(C) A member appointed by a majority of the thoroughbred breeders.

(3) The purses for the restricted races established in this subsection shall be twenty percent larger than the purses for similar type races at each track.

(4) Restricted races shall be funded by each racing association from:

(A) Moneys placed in the general purse fund up to a maximum of three hundred fifty thousand dollars per year.

(B) Moneys as provided in subdivision(5), subsection(e) of this section, which shall be placed in a special fund called the “West Virginia accredited race fund”.

(5) The racing schedules, purse amounts and types of races are subject to the approval of the West Virginia racing commission.

(h) Effective on and after the first day of July, two thousand, as used in this section, “West Virginia bred-foal” means a horse that was born in the State of West Virginia.

(i) To qualify for the West Virginia accredited race fund, the breeder must qualify under one of the following:

(1) The breeder of the West Virginia bred-foal is a West Virginia resident;
(2) The breeder of the West Virginia bred-foal is not a West Virginia resident, but keeps his or her breeding stock in West Virginia year-round; or

(3) The breeder of the West Virginia bred-foal is not a West Virginia resident and does not qualify under (2) above, but either the sire of the West Virginia bred-foal is a West Virginia stallion, or the mare is covered by a West Virginia stallion following the birth of that West Virginia bred-foal.

(j) No association or licensee qualifying for the alternate tax provision of subsection (b), section ten of this article is eligible for participation in any of the provisions of this section:

Provided, That the provisions of this subsection shall not apply to a thoroughbred race track at which the licensee has participated in the West Virginia thoroughbred development fund for a period of more than four consecutive calendar years prior to the thirty-first day of December, one thousand nine hundred ninety-two.

§19-23-13c. Expenditure of racetrack video lottery distribution.

(a) Funds received by the racing commission pursuant to subdivision (6), subsection (c), section ten, article twenty-two-a, chapter twenty-nine of this code, after the effective date of this section together with the balance in the bank account previously established by the commission to receive those funds shall be deposited in a banking institution of its choice in a special account to be known as “West Virginia Racing Commission Racetrack Video Lottery Account”. Notice of the amount, date and place of each deposit shall be given by the racing commission, in writing, to the state treasurer.

(b) Funds in this account shall be allocated and expended as follows:
(1) For each fiscal year, the first eight hundred thousand dollars deposited in the separate account plus the amount then remaining of the June thirtieth, one thousand nine hundred ninety-seven balance in the separate account previously established for the West Virginia breeders classic under section thirteen of this article, shall be used by the commission for promotional activities, advertising, administrative costs and purses for the West Virginia thoroughbred breeders classic, which shall give equal consideration to all horses qualifying under the West Virginia breeders program for each stake race, based solely on the horses’ sex, age and earnings.

(2) For each fiscal year, the next two hundred thousand dollars deposited into the separate account shall be used by the commission for promotional activities and purses for open stake races for a race event to be known as the West Virginia derby to be held at a thoroughbred racetrack which does not participate in the West Virginia thoroughbred development fund.

(3) For each fiscal year, once the amounts provided in subdivisions (1) and (2) of this subsection (b) have been deposited into separate bank accounts for use in connection with the West Virginia thoroughbred breeders classics and the West Virginia derby, the commission shall return to each racetrack all additional amounts deposited which originate during that fiscal year from each respective racetrack pursuant to subdivision (6) of subsection (c), section ten, article twenty-two-a, chapter twenty-nine of this code, which returned excess funds shall be used as follows:

(A) For each dog racetrack, one half of the returned excess funds shall be used for capital improvements at the racetrack and one half of the returned excess funds shall be deposited into the “West Virginia Racing Commission Special Account - West Virginia Greyhound Breeding Development Fund”.

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(B) At those thoroughbred racetracks that have participated in the West Virginia thoroughbred development fund for a period of more than four consecutive calendar years prior to the thirty-first day of December, one thousand nine hundred ninety-two, one half of the returned excess funds shall be used for capital improvements at the licensee’s racetrack and one half of the returned excess funds shall be equally divided between the West Virginia thoroughbred breeders classic and the West Virginia thoroughbred development fund.

(C) At those thoroughbred horse racetracks which do not participate in the West Virginia thoroughbred development fund, one half of the returned excess funds shall be used for capital improvements at the licensee’s racetrack and one half of the returned excess funds shall be used for purses for the open stakes race event known as the West Virginia derby.

(c) All expenditures that are funded under this section must be approved in writing by the West Virginia racing commission before the funds are expended for any of the purposes authorized by this section.

(d) The commission shall submit to the legislative auditor a quarterly report and accounting of the income, expenditures and unobligated balance in the special bank accounts authorized by this section.

CHAPTER 29. MISCELLANEOUS BOARDS AND OFFICERS.

ARTICLE 22A. RACETRACK VIDEO LOTTERY.

§29-22A-10. Accounting and reporting; commission to provide communications protocol data; distribution of net terminal income; remittance through electronic transfer of funds; establishment of accounts and nonpayment penalties; commission control of
accounting for net terminal income; settlement of accounts; manual reporting and payment may be required; request for reports; examination of accounts and records.

(a) The commission shall provide to manufacturers, or applicants applying for a manufacturer's permit, the protocol documentation data necessary to enable the respective manufacturer's video lottery terminals to communicate with the commission's central computer for transmitting auditing program information and for activation and disabling of video lottery terminals.

(b) The gross terminal income of a licensed racetrack shall be remitted to the commission through the electronic transfer of funds. Licensed racetracks shall furnish to the commission all information and bank authorizations required to facilitate the timely transfer of moneys to the commission. Licensed racetracks must provide the commission thirty days' advance notice of any proposed account changes in order to assure the uninterrupted electronic transfer of funds. From the gross terminal income remitted by the licensee to the commission, the commission shall deduct an amount sufficient to reimburse the commission for its actual costs and expenses incurred in administering racetrack video lottery at the licensed racetrack, and the resulting amount after such deduction shall be the net terminal income. The amount deducted for administrative costs and expenses of the commission may not exceed four percent of gross terminal income.

(c) Net terminal income shall be divided as set out in this subsection. The licensed racetrack's share shall be in lieu of all lottery agent commissions and is considered to cover all costs and expenses required to be expended by the licensed racetrack in connection with video lottery operations. The division shall be made as follows:
(1) The commission shall receive thirty percent of net
terminal income, which shall be paid into the general revenue
fund of the state to be appropriated by the Legislature;

(2) Fourteen percent of net terminal income at a licensed
racetrack shall be deposited in the special fund established by
the licensee, and used for payment of regular purses in addition
to other amounts provided for in article twenty-three, chapter
nineteen of this code;

(3) The county where the video lottery terminals are located
shall receive two percent of the net terminal income: Provided,
That: (A) Beginning the first day of July, one thousand nine
hundred ninety-nine, and thereafter, any amount in excess of
the two percent received during fiscal year one thousand nine
hundred ninety-nine by a county in which a racetrack is located
that has participated in the West Virginia thoroughbred develop-
ment fund since on or before the first day of January, one
thousand nine hundred ninety-nine, shall be divided as follows:

   (i) The county shall receive fifty percent of the excess
   amount; and

   (ii) The municipalities of the county shall receive fifty
   percent of the excess amount, said fifty percent to be divided
   among the municipalities on a per capita basis as determined by
   the most recent decennial United States census of population;
   and

   (B) Beginning the first day of July, one thousand nine
   hundred ninety-nine, and thereafter, any amount in excess of
   the two percent received during fiscal year one thousand nine
   hundred ninety-nine by a county in which a racetrack other than
   a racetrack described in paragraph (A) of this proviso is located
   and where the racetrack has been located in a municipality
   within the county since on or before the first day of January,
   one thousand nine hundred ninety-nine, shall be divided, if
   applicable, as follows:
(i) The county shall receive fifty percent of the excess amount; and

(ii) The municipality shall receive fifty percent of the excess amount; and

(C) This proviso shall not affect the amount to be received under this subdivision by any county other than a county described in paragraph (A) or (B) of this proviso;

(4) One half of one percent of net terminal income shall be paid for and on behalf of all employees of the licensed racing association by making a deposit into a special fund to be established by the racing commission to be used for payment into the pension plan for all employees of the licensed racing association;

(5) The West Virginia thoroughbred development fund created under section thirteen-b, article twenty-three, chapter nineteen of this code and the West Virginia greyhound breeding development fund created under section ten, article twenty-three, chapter nineteen of this code shall receive an equal share of a total of not less than one and one-half percent of the net terminal income: Provided, That for any racetrack which does not have a breeder’s program supported by the thoroughbred development fund or the greyhound breeding development fund, the one and one-half percent provided for in this subdivision shall be deposited in the special fund established by the licensee and used for payment of regular purses, in addition to other amounts provided for in subdivision (2) of this subsection and article twenty-three, chapter nineteen of this code;

(6) The West Virginia racing commission shall receive one percent of the net terminal income which shall be deposited and used as provided in section thirteen-c, article twenty-three, chapter nineteen of this code;
(7) A licensee shall receive forty-seven percent of net terminal income;

(8) The tourism promotion fund established in section twelve, article two, chapter five-b of this code shall receive three percent of the net terminal income; and

(9) The veterans memorial program shall receive one percent of the net terminal income until sufficient moneys have been received to complete the veterans memorial on the grounds of the state capitol complex in Charleston, West Virginia. The moneys shall be deposited in the state treasury in the division of culture and history special fund created under section three, article one-i, chapter twenty-nine of this code: Provided, That only after sufficient moneys have been deposited in the fund to complete the veterans memorial and to pay in full the annual bonded indebtedness on the veterans memorial, not more than twenty thousand dollars of the one percent of net terminal income provided for in this subdivision shall be deposited into a special revenue fund in the state treasury, to be known as the “John F. ‘Jack’ Bennett Fund”. The moneys in this fund shall be expended by the division of veterans affairs to provide for the placement of markers for the graves of veterans in perpetual cemeteries in this state. The division of veterans affairs shall promulgate legislative rules pursuant to the provisions of article three, chapter twenty-nine-a of this code specifying the manner in which the funds are spent, determine the ability of the surviving spouse to pay for the placement of the marker, and setting forth the standards to be used to determine the priority in which the veterans grave markers will be placed in the event that there are not sufficient funds to complete the placement of veterans grave markers in any one year, or at all. Upon payment in full of the bonded indebtedness on the veterans memorial, one hundred thousand dollars of the one percent of net terminal income provided for in this subdivision shall be deposited in the special fund in the
division of culture and history created under section three, 
article one-i, chapter twenty-nine of this code and be expended 
by the division of culture and history to establish a West 
Virginia veterans memorial archives within the cultural center 
to serve as a repository for the documents and records pertain-
ing to the veterans memorial, to restore and maintain the 
monuments and memorial on the capitol grounds, and not more 
than twenty thousand dollars be deposited in the “John F. ‘Jack’ 
Bennett Fund”: Provided, however, That five hundred thousand 
dollars of the one percent of net terminal income shall be 
deposited in the state treasury in a special fund of the depart-
ment of administration, created under section five, article four, 
chapter five-a of this code to be used for construction and 
maintenance of a parking garage on the state capitol complex: 
Provided further, That the remainder of the one percent of net 
terminal income shall be deposited in equal amounts in the 
capitol dome and improvements fund created under section two, 
article four, chapter five-a of this code and cultural facilities 
and capitol resources matching grant program fund created 
under section three, article one of this chapter.

(d) Each licensed racetrack shall maintain in its account an 
amount equal to or greater than the gross terminal income from 
its operation of video lottery machines, to be electronically 
transferred by the commission on dates established by the 
commission. Upon a licensed racetrack’s failure to maintain 
this balance, the commission may disable all of a licensed 
racetrack’s video lottery terminals until full payment of all 
amounts due is made. Interest shall accrue on any unpaid 
balance at a rate consistent with the amount charged for state 
income tax delinquency under chapter eleven of this code, 
which interest shall begin to accrue on the date payment is due 
to the commission.

(e) The commission’s central control computer shall keep 
accurate records of all income generated by each video lottery
terminal. The commission shall prepare and mail to the licensed racetrack a statement reflecting the gross terminal income generated by the licensee’s video lottery terminals. Each licensed racetrack must report to the commission any discrepancies between the commission’s statement and each terminal’s mechanical and electronic meter readings. The licensed racetrack is solely responsible for resolving income discrepancies between actual money collected and the amount shown on the accounting meters or on the commission’s billing statement.

(f) Until an accounting discrepancy is resolved in favor of the licensed racetrack, the commission may make no credit adjustments. For any video lottery terminal reflecting a discrepancy, the licensed racetrack shall submit to the commission the maintenance log which includes current mechanical meter readings and the audit ticket which contains electronic meter readings generated by the terminal’s software. If the meter readings and the commission’s records cannot be reconciled, final disposition of the matter shall be determined by the commission. Any accounting discrepancies which cannot be otherwise resolved shall be resolved in favor of the commission.

(g) Licensed racetracks shall remit payment by mail if the electronic transfer of funds is not operational or the commission notifies licensed racetracks that remittance by this method is required. The licensed racetracks shall report an amount equal to the total amount of cash inserted into each video lottery terminal operated by a licensee, minus the total value of game credits which are cleared from the video lottery terminal in exchange for winning redemption tickets, and remit such amount as generated from its terminals during the reporting period. The remittance shall be sealed in a properly addressed and stamped envelope and deposited in the United States mail no later than noon on the day when the payment would otherwise be completed through electronic funds transfer.
(h) Licensed racetracks may, upon request, receive additional reports of play transactions for their respective video lottery terminals and other marketing information not considered confidential by the commission. The commission may charge a reasonable fee for the cost of producing and mailing any report other than the billing statements.

(i) The commission has the right to examine all accounts, bank accounts, financial statements and records in a licensed racetrack's possession, under its control or in which it has an interest and the licensed racetrack must authorize all third parties in possession or in control of the accounts or records to allow examination of any of those accounts or records by the commission.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

In effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within _______ approved _______ this the _______ day of _______, 2000.

Governor