

State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

744B0607

HOUSE BILL NO. 1252

Introduced by: Representatives Mills, Brunner, Deutsch, Glanzer, Goodwin, Hansen, Haugaard, Latterell, McCleerey, Perry, Peterson (Sue), Post, Qualm, Rasmussen, Steele, Weis, and Wiese and Senators Otten (Ernie), Rusch, and Steinhauer

1 FOR AN ACT ENTITLED, An Act to increase the state's percentage of video lottery revenues
2 and provide for the deposit of certain excess revenues.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 42-7A be amended by adding a NEW SECTION to read:

5 There is created in the state treasury the video lottery repeal and recovery fund. The fund
6 consists of all moneys deposited into the fund in accordance with § 42-7A-63, together with any
7 interest or other earnings of the fund. Moneys in the fund may not be expended until the playing
8 of video lottery machines in this state is prohibited.

9 Section 2. That § 42-7A-63 be amended to read:

10 42-7A-63. The commission shall maximize revenues to the state from video lottery. The
11 state's percentage of net machine income ~~shall be fifty~~ is fifty-five percent. ~~The Beginning~~
12 July 1, 2020, the state's percentage of net machine income is sixty percent. Beginning July 1,
13 2021, the state's percentage of net machine income is sixty-five percent.

14 One-half of one percent of the state's ~~percentage of~~ net machine income shall be ~~directly~~



1 deposited ~~to~~ into the video lottery operating fund. The remainder of the state's net machine
2 income shall be deposited into the general fund, except for ~~one-half of one percent of net~~
3 ~~machine income authorized for deposit into the video lottery operating fund~~ that:

4 (1) During the twelve month period beginning July 1, 2019, the amount deposited into
5 the general fund in accordance with this section may not exceed one hundred nine
6 million nine hundred fifty thousand dollars; and

7 (2) During the twelve month period beginning July 1, 2020, and during each twelve
8 month period thereafter, the amount deposited into the general fund in accordance
9 with this section may not exceed ninety-five percent of the amount deposited into the
10 general fund in accordance with this section during the preceding twelve month
11 period.

12 Any amount in excess of that authorized for deposit into the general fund in subdivisions
13 (1) to (3), inclusive, shall be deposited into the video lottery repeal and recovery fund.