
VIRGINIA STATE BUDGET

2000 Session

Budget Bill - HB29 (Chapter 1072)

Bill Order » Independent Agencies » Item 566

State Lottery Department

Item 566 (Not set out)	First Year - FY1999	Second Year - FY2000
State Lottery Operations (81100)	\$66,878,828	\$68,668,981
State Lottery Management Services (81101)	\$66,878,828	\$68,668,981
Fund Sources:		
Enterprise	\$66,878,828	\$68,668,981

Authority: Title 58.1, Chapter 40, Code of Virginia.

A. The amounts for the State Lottery Management Services are estimated at \$66,878,828 the first year and \$68,668,981 the second year.

B. Appropriations for the Lottery Department may be transferred to this Item from any unexpended amounts in Item C-10 of this act for the purpose of leasing equipment.

C. Out of the amounts for State Lottery Management Services shall be paid:

1. Reimbursement for compensation and reasonable expenses of the members of the State Lottery Board in the performance of their duties, as provided in § 2.1-20.3, Code of Virginia.

2. The total costs for the operation and administration of the state lottery, pursuant to § 58.1-4022, Code of Virginia.

D. Omitted.

E. Omitted.

F.1. The State Lottery Department shall establish a nine-month pilot project, consisting of new lottery tickets, which may include use of machines to dispense or deliver paperless instant tickets or shares game in order to determine whether the funds generated, coupled with other funds, will be sufficient to make construction of a major league baseball stadium in Virginia feasible. The purpose of the pilot project shall be to determine whether the moneys estimated to be placed in the State Lottery Fund during fiscal years 1998 and 1999, pursuant to § 58.1-4022, Code of Virginia, will increase with the addition of a baseball-oriented lottery tickets or shares game.

2. The pilot project shall not include either Keno or Video Lottery type gaming. Prior to implementation of any game that includes the use of machines to dispense or deliver paperless instant tickets, the Lottery shall prepare an implementation plan. This plan may be implemented only after approval by the Lottery Board. The Lottery shall submit a copy of the approved plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees prior to implementation.

3. The State Lottery Department shall submit a progress report on the pilot project to the Chairmen of the House

Appropriations and the House and Senate Finance Committees, and to the members of the Joint Subcommittee Studying Financing Options for Constructing a Baseball Stadium in Virginia by December 1, 1998.

4. In the event that, having implemented the pilot project, deposits to the State Lottery Fund for fiscal years 1998 and 1999 exceed the official revenue estimate, the Director shall report such amount to the Chairmen of the House Appropriations and the House and Senate Finance Committees.

5. Nothing in this section shall reduce or otherwise affect the amount of prize payments, vendor compensation, or limitation on administrative expense which are otherwise set forth by law regarding Lottery gaming.

G. The Secretary of Finance and the Director of the State Lottery Department are hereby directed to jointly contract for a study of the methodology and forecasting processes employed by the State Lottery Department in projecting lottery revenues. The Request for Proposal or other specifications regarding the scope of work, and the potential contractor's proposal for conducting such study, shall be provided to the Chairmen of the House Appropriations Committee, the Senate Finance Committee, and the Joint Legislative Audit and Review Commission, prior to the execution of such contract. The cost of the study shall be paid from the appropriation in this Item. The Secretary and the Director shall submit an interim report on the study to the Governor and the Chairmen of the House Appropriations Committee, the Senate Finance Committee, and the Joint Legislative Audit and Review Commission, no later than September 1, 1998, and a final report no later than December 1, 1998.

H. The State Lottery Department shall deposit to the general fund, for expenditure upon appropriation as otherwise provided by law, an amount estimated at \$3,379,000 the first year and \$2,983,000 the second year, which shall be realized through administrative cost efficiencies and executive management savings.