

## HOUSE BILL No. 2584

By Committee on Veterans, Military and Homeland Security

2-1

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1 AN ACT concerning the veterans benefit lottery game; disposition of net  
2 profits; establishing the veterans benefit lottery game fund and the  
3 national guard benefit lottery game fund; amending K.S.A. 2015 Supp.  
4 74-8724 and repealing the existing section.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 New Section 1. (a) All net profits received from the sale of veterans  
8 benefit lottery game tickets, materials and games, as prescribed by rules  
9 and regulations adopted pursuant to K.S.A. 2015 Supp. 74-8724(b), and  
10 amendments thereto, shall be transferred to and credited to the veterans  
11 benefit lottery game fund and the national guard benefit lottery game fund  
12 in accordance with this section.

13 (b) On or before the fifth day of each month, the executive director of  
14 the Kansas lottery shall determine and certify to the director of accounts  
15 and reports the aggregate amount of net profits received from the sale of  
16 veterans benefit game lottery tickets, materials and games, as prescribed  
17 by rules and regulations adopted pursuant to K.S.A. 2015 Supp. 74-  
18 8724(b), and amendments thereto, that was transferred from the lottery  
19 operating fund to the state gaming revenues fund during the preceding  
20 month pursuant to K.S.A. 74-8711(d), and amendments thereto. Upon  
21 receipt of each such certification, the director of accounts and reports shall  
22 transfer the amount equal to 60% of the amount certified from the state  
23 gaming revenues fund to the veterans benefit lottery game fund established  
24 by section 2, and amendments thereto, and shall transfer the amount equal  
25 to 40% of the amount certified from the state gaming revenues fund to the  
26 national guard benefit lottery game fund established by section 3, and  
27 amendments thereto. At the same time as such certification is transmitted  
28 to the director of accounts and reports, the executive director of the Kansas  
29 lottery shall transmit a copy of such certification to the director of the  
30 budget and the director of legislative research.

31 New Sec. 2. (a) There is hereby established in the state treasury the  
32 veterans benefit lottery game fund which shall be administered by the  
33 Kansas commission on veterans affairs. All expenditures from the veterans  
34 benefit lottery game fund shall be made in accordance with appropriation  
35 acts upon warrants of the director of accounts and reports issued pursuant  
36 to vouchers approved by the Kansas commission on veterans affairs or the

1 designee of the commission.

2 (b) Moneys credited to the veterans benefit lottery game fund shall  
3 not be transferred to the state general fund. Moneys credited to the  
4 veterans benefit lottery game fund shall be used only for the following  
5 purposes:

6 (1) Fifty percent of the moneys transferred to the veterans benefit  
7 lottery game fund shall be used for operating expenditures and capital  
8 improvements, or as otherwise provided by appropriation acts, for the use  
9 and benefit of the Kansas veterans' home, the Kansas soldiers' home and  
10 the state veterans cemetery system; and

11 (2) fifty percent of the moneys transferred to the veterans benefit  
12 lottery game fund shall be used for a veterans enhanced service delivery  
13 program.

14 (c) On or before the 10<sup>th</sup> day of each month, the director of accounts  
15 and reports shall transfer from the state general fund to the veterans benefit  
16 lottery game fund interest earnings based on:

17 (1) The average daily balance of moneys in the veterans benefit  
18 lottery game fund for the preceding month; and

19 (2) the net earnings rate of the pooled money investment portfolio for  
20 the preceding month.

21 New Sec. 3. (a) There is hereby established in the state treasury the  
22 national guard benefit lottery game fund which shall be administered by  
23 the adjutant general. All expenditures from the national guard benefit  
24 lottery game fund shall be made in accordance with appropriation acts  
25 upon warrants of the director of accounts and reports issued pursuant to  
26 vouchers approved by the adjutant general or the designee of the adjutant  
27 general.

28 (b) Moneys credited to the national guard benefit lottery game fund  
29 shall not be transferred to the state general fund. Moneys credited to the  
30 national guard benefit lottery game fund shall be used only for purposes  
31 directly benefiting members of the Kansas army and air national guard and  
32 their families to provide for Kansas national guard educational assistance  
33 act scholarships pursuant to K.S.A. 74-32,145 et seq., and amendments  
34 thereto, and, to the extent that moneys are available, for other purposes  
35 directly benefiting members of the Kansas army and air national guard and  
36 their families.

37 (c) On or before the 10<sup>th</sup> day of each month, the director of accounts  
38 and reports shall transfer from the state general fund to the national guard  
39 benefit lottery game fund interest earnings based on:

40 (1) The average daily balance of moneys in the national guard benefit  
41 lottery game fund for the preceding month; and

42 (2) the net earnings rate of the pooled money investment portfolio for  
43 the preceding month.

1       Sec. 4. K.S.A. 2015 Supp. 74-8724 is hereby amended to read as  
2 follows: 74-8724. (a) Notwithstanding any provision of law to the  
3 contrary, the Kansas lottery commission shall establish an instant lottery  
4 scratch-off game designated as the veterans benefit game, which shall be  
5 conducted by the Kansas lottery. Tickets for the veterans benefit game  
6 established by this section shall be offered for sale year-round.

7       (b) The Kansas lottery commission shall adopt rules and regulations  
8 governing the establishment of the veterans benefit game pursuant to  
9 K.S.A. 74-8710, and amendments thereto, except that ~~subsection (b) of~~  
10 ~~K.S.A. 74-8710(b)~~, and amendments thereto, shall not apply to the  
11 veterans benefit game established by this section.

12       (c) Notwithstanding the provisions of K.S.A. 79-4801 et seq., and  
13 K.S.A. 74-8711, and amendments thereto, all net profits, received from the  
14 sale of veterans benefit game lottery tickets, materials and games, as  
15 prescribed by rules and regulations adopted pursuant to ~~subsection (b) of~~  
16 ~~this section~~, shall be deposited in the state treasury and shall be ~~used as~~  
17 ~~follows: (1) An amount equal to 40% of such net profits shall be~~  
18 ~~appropriated for purposes directly benefitting members of the Kansas army~~  
19 ~~and air national guard and their families to provide for Kansas national~~  
20 ~~guard educational assistance act scholarships pursuant to K.S.A. 74-32,145~~  
21 ~~et seq., and amendments thereto, and, to the extent that moneys are~~  
22 ~~available, for other purposes directly benefitting members of the Kansas~~  
23 ~~army and air national guard and their families as provided by appropriation~~  
24 ~~act;~~

25       ~~(2) an amount equal to 30% of such net profits shall be appropriated~~  
26 ~~for operating expenditures and capital improvements, or as otherwise~~  
27 ~~provided by appropriation act, for the use and benefit of the Kansas~~  
28 ~~veterans' home, the Kansas soldiers' home and the state veterans cemetery~~  
29 ~~system; and~~

30       ~~(3) an amount equal to 30% of such net profits from: (A) July 1,~~  
31 ~~2008, to June 30, 2010, shall be appropriated for the museum of the~~  
32 ~~Kansas national guard to expand the museum facility to include a 35<sup>th</sup>~~  
33 ~~Infantry Division Museum and a museum education center as provided by~~  
34 ~~appropriation act; and (B) from and after July 1, 2010, shall be~~  
35 ~~appropriated for a veterans enhanced service delivery program transferred~~  
36 ~~to and credited to the veterans benefit lottery game fund and the national~~  
37 ~~guard benefit lottery game fund pursuant to section 1, and amendments~~  
38 ~~thereto.~~

39       (d) The Kansas lottery commission shall change the design or theme  
40 of the veterans benefit game regularly so that the game remains  
41 competitive with the other instant lottery scratch-off games offered by  
42 such commission. The tickets for the instant lottery game authorized by  
43 this section shall clearly *and prominently* state on the front of such tickets

1 that the profits derived from the game shall be used to benefit veterans and  
2 veterans issues in this state.

3 Sec. 5. K.S.A. 2015 Supp. 74-8724 is hereby repealed.

4 Sec. 6. This act shall take effect and be in force from and after its  
5 publication in the statute book.