

# State of South Dakota

SEVENTY-EIGHTH SESSION  
LEGISLATIVE ASSEMBLY, 2003

327I0570

## HOUSE BILL NO. 1132

Introduced by: Representatives Wick, Begalka, Klaudt, Koistinen, McCoy, Rhoden, and Van Gerpen and Senators Duenwald, Kleven, Knudson, and Koskan

1 FOR AN ACT ENTITLED, An Act to increase funding for education, to reduce state  
2 government reliance on lottery proceeds, and to revise the distribution of lottery proceeds.

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

4 Section 1. That § 42-7A-63 be amended to read as follows:

5 42-7A-63. The commission shall maximize revenues to the state from video lottery. The  
6 state's percentage of net machine income shall be fifty percent. The state's percentage of net  
7 machine income shall be directly deposited to the property tax reduction fund and trust fund  
8 created by S.D. Const., Art XIII, § 20, except for one-half of one percent of net machine income  
9 authorized for deposit into the video lottery operating fund. ~~The effective date of this section is~~  
10 ~~July 1, 1996.~~

11 The revenue collected pursuant to this section shall be distributed in the following manner:

12 (1) During fiscal year 2003, eighty-nine and one-half percent shall be deposited in the  
13 property tax reduction fund. During fiscal year 2005, seventy-nine and one-half  
14 percent shall be deposited in the property tax reduction fund. During fiscal year 2006,  
15 sixty-nine and one-half percent shall be deposited in the property tax reduction fund.



1 During fiscal year 2007, fifty-nine and one-half percent shall be deposited in the  
2 property tax reduction fund. During fiscal year 2008, forty-nine and one-half percent  
3 shall be deposited in the property tax reduction fund. During fiscal year 2009, thirty-  
4 nine and one-half percent shall be deposited in the property tax reduction fund. During  
5 fiscal year 2010, twenty-nine and one-half percent shall be deposited in the property  
6 tax reduction fund. During fiscal year 2011, nineteen and one-half percent shall be  
7 deposited in the property tax reduction fund. During fiscal year 2012, nine and one-  
8 half percent shall be deposited in the property tax reduction fund. Beginning in fiscal  
9 year 2013 and each year thereafter no lottery proceeds may be deposited in the  
10 property tax reduction fund; and

11 (2) During fiscal year 2004, ten percent shall be deposited in the trust fund created by  
12 S.D. Const., Art XIII, § 20. During fiscal year 2005, twenty percent shall be  
13 deposited in the trust fund created by S.D. Const., Art XIII, § 20.. During fiscal year  
14 2006, thirty percent shall be deposited in the trust fund created by S.D. Const., Art  
15 XIII, § 20. During fiscal year 2007, forty percent shall be deposited in the trust fund  
16 created by S.D. Const., Art XIII, § 20. During fiscal year 2008, fifty percent shall be  
17 deposited in the trust fund created by S.D. Const., Art XIII, § 20. During fiscal year  
18 2009, sixty percent shall be deposited in the trust fund created by S.D. Const., Art  
19 XIII, § 20. During fiscal year 2010, seventy percent shall be deposited in the trust  
20 fund created by S.D. Const., Art XIII, § 20. During fiscal year 2011, eighty percent  
21 shall be deposited in the trust fund created by S.D. Const., Art XIII, § 20. During  
22 fiscal year 2012, ninety percent shall be deposited in the trust fund created by S.D.  
23 Const., Art XIII, § 20. Beginning in fiscal year 2013, and each year thereafter, ninety-  
24 nine and one half percent shall be deposited in the trust fund created by S.D. Const.,

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Art XIII, § 20.