HOUSE BILL No. 2196

By Committee on Veterans and Military

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AN ACT concerning veterans; relating to the veterans benefit lottery game; disposition of net profits; establishing the veterans benefit lottery game fund and the national guard benefit lottery game fund; amending K.S.A. 2016 Supp. 74-8724 and repealing the existing section.

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Be it enacted by the Legislature of the State of Kansas:

New Section. 1. (a) There is hereby established in the state treasury the veterans benefit lottery game fund that shall be administered by the Kansas commission on veterans affairs office. All expenditures from the veterans benefit lottery game fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the Kansas commission on veterans affairs or the designee of the commission.

- (b) Moneys credited to the veterans benefit lottery game fund shall not be transferred to the state general fund. Moneys credited to the veterans benefit lottery game fund shall be used only for the following purposes:
- (1) Fifty percent of the moneys transferred to the veterans benefit lottery game fund shall be used for operating expenditures and capital improvements, or as otherwise provided by appropriation acts, for the use and benefit of the Kansas veterans' home, the Kansas soldiers' home and the state veterans cemetery system; and
- (2) fifty percent of the moneys transferred to the veterans benefit lottery game fund shall be used for a veterans enhanced service delivery program.
- (c) On or before the 10th day of each month, the director of accounts and reports shall transfer from the state general fund to the veterans benefit lottery game fund interest earnings based on:
- (1) The average daily balance of moneys in the veterans benefit lottery game fund for the preceding month; and
- (2) the net earnings rate of the pooled money investment portfolio for the preceding month.

New Sec. 2. (a) There is hereby established in the state treasury the national guard benefit lottery game fund that shall be administered by the adjutant general. All expenditures from the national guard benefit lottery game fund shall be made in accordance with appropriation acts upon

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warrants of the director of accounts and reports issued pursuant to vouchers approved by the adjutant general or the designee of the adjutant general.

- (b) Moneys credited to the national guard benefit lottery game fund shall not be transferred to the state general fund. Moneys credited to the national guard benefit lottery game fund shall be used only for purposes directly benefiting members of the Kansas army national guard and air national guard and their families to provide for Kansas national guard educational assistance act scholarships pursuant to K.S.A. 74-32,145 et seq., and amendments thereto, and, to the extent that moneys are available, for other purposes directly benefiting members of the Kansas army and air national guard and their families.
- (c) On or before the 10th day of each month, the director of accounts and reports shall transfer from the state general fund to the national guard benefit lottery game fund interest earnings based on:
- (1) The average daily balance of moneys in the national guard benefit lottery game fund for the preceding month; and
- (2) the net earnings rate of the pooled money investment portfolio for the preceding month.
- Sec. 3. K.S.A. 2016 Supp. 74-8724 is hereby amended to read as follows: 74-8724. (a) Notwithstanding any provision of law to the contrary, the Kansas lottery commission shall establish an instant lottery scratch-off game designated as the veterans benefit game, which shall be conducted by the Kansas lottery. Tickets for the veterans benefit game established by this section shall be offered for sale year-round.
- (b) The Kansas lottery commission shall adopt rules and regulations governing the establishment of the veterans benefit game pursuant to K.S.A. 74-8710, and amendments thereto, except that subsection (b) of K.S.A. 74-8710(b), and amendments thereto, shall not apply to the veterans benefit game established by this section.
- (c) Notwithstanding the provisions of K.S.A. 79-4801 et seq.; and K.S.A. 74-8711, and amendments thereto, all net profits, received from the sale of veterans benefit game lottery tickets, materials and games, as prescribed by rules and regulations adopted pursuant to subsection (b) of this section, shall be deposited in the state treasury and shall be used as follows: (1) An amount equal to 40% of such net profits shall be appropriated for purposes directly benefitting members of the Kansas army and air national guard and their families to provide for Kansas national guard educational assistance act scholarships pursuant to K.S.A. 74-32,145 et seq., and amendments thereto, and, to the extent that moneys are available, for other purposes directly benefitting members of the Kansas army and air national guard and their families as provided by appropriation act:

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

- (3) an amount equal to 30% of such net profits from: (A) July 1, 2008, to June 30, 2010, shall be appropriated for the museum of the Kansas national guard to expand the museum facility to include a 35th Infantry Division Museum and a museum education center as provided by appropriation act; and (B) from and after July 1, 2010, shall be appropriated for a veterans enhanced service delivery program remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount into the state treasury. Sixty percent of such amount shall be credited to the veterans benefit lottery game fund established by section 1, and amendments thereto, and 40% of such amount shall be credited to the national guard benefit lottery game fund established by section 2, and amendments thereto.
- (d) The Kansas lottery commission shall change the design or theme of the veterans benefit game regularly so that the game remains competitive with the other instant lottery scratch-off games offered by such commission. The tickets for the instant lottery game authorized by this section shall clearly state *on the front of such tickets* that the profits derived from the game shall be used to benefit veterans and veterans issues in this state.
- 26 Sec. 4. K.S.A. 2016 Supp. 74-8724 is hereby repealed.
 - Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.