

Charleston Gazette-Mail

Senate to weigh bill to 'decouple' greyhound racing from state casinos

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February 24, 2016



BONNIE JO MOUNT | Washington Post file photo

A new proposal to “decouple” greyhound racing from two state racetrack casinos offers no buyouts to greyhound owners and breeders, but the prospect of freeing up more than \$21 million of greyhound racing subsidies to help close the 2016-17 state budget deficit.

“We're hopeful that the issue of purse funds, breeders' funds and the general revenue fund can be decided for good at some point this session,” said John Cavacini with the West Virginia Racing Association.

The bill (SB 641) is the latest effort to eliminate state subsidies for the long-struggling greyhound industry. Last year, a study requested by the Legislature concluded that state subsidies for racing purses and breeders funds account for 95 percent of industry revenues, as attendance and live wagering at the state's two greyhound tracks have dwindled over the years.

Unlike a bill proposed last year, that would have given greyhound owners and breeders a three-year, \$36 million buyout, the new legislation simply moves the estimated \$21.2 million of state Lottery funds that would go to subsidize greyhound racing in the 2016-17 budget year to the state's general revenue fund.

The bill would also decouple the two greyhound racetrack casinos, removing a requirement that they conduct greyhound racing in order to keep their racetrack video lottery and casino table games licenses.

It also would eliminate \$10 million a year of matching funds the casinos can draw down to upgrade their gaming areas, also

putting those funds into general revenue to help close budget shortfalls.

The bill would raise from the current 5 percent to 20 percent the number of registered voters in racetrack counties needed for a recall petition for local option elections to revoke table games' licenses at the racetrack casinos.

The higher percentage is intended to make it less likely that breeders and owners could retaliate against the casino operators.

“That serves us from a business standpoint, and should serve the state of West Virginia,” Cavacini told the committee.

“There's nothing to be gained by shutting the [casinos] down, and everyone loses.”

The bill goes to the Senate floor.

Earlier Wednesday, Senate Finance again postponed action on a bill to mandate twice monthly pay periods for state employees, blocking the state's move to biweekly pay (SB 617).

That was after state Auditor Glen Gainer testified that biweekly pay is more efficient, and cost-effective, and is used by most major private-sector companies.

“That's all I've tried in 24 years as auditor, to operate government more efficiently,” he said.

“All we're trying to do is be compliant with labor law, best business practices, and to do what's right for state employees,”

he added.

One of the issues with the switch to biweekly pay periods is that, under current law, state employees would be able to count 79 instead of 78 pay periods in calculating pension benefits.

The Consolidated Public Retirement Board has calculated that, over time, that would increase total pension payments by \$22.5 million.

However, Gainer said that problem can be corrected by changing one sentence in the state pension law.

Sen. Jeff Kessler, D-Marshall, said if an employee has a \$30,000 salary, that worker should be paid \$30,000 each year, regardless of whether that pay is divided into 24, 26 or 12 pay periods.

“This just seems to be a more convoluted question than I ever imagined,” he said.

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