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SENATE BILL NO. 1323

Offered January 11, 2025

Prefiled January 11, 2025

A BILL to amend and reenact §§ 18.2-325, 18.2-331.1, 18.2-334, 18.2-513, 37.2-314.2, 58.1-4015.1, and 58.1-4048 of the Code of Virginia and to amend the Code of Virginia by adding sections numbered 18.2-331.2, 18.2-331.3, 18.2-331.4, and 18.2-334.7, by adding in Title 58.1 a chapter numbered 42, containing articles numbered 1 through 5, consisting of sections numbered 58.1-4200 through 58.1-4225, and by adding in Title 59.1 a chapter numbered 58, consisting of a section numbered 59.1-607, relating to Virginia Gaming Commerce Regulation Act established; penalties.

Patron—Craig

Referred to Committee on General Laws and Technology

Be it enacted by the General Assembly of Virginia:

1. That §§ 18.2-325, 18.2-331.1, 18.2-334, 18.2-513, 37.2-314.2, 58.1-4015.1, and 58.1-4048 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding sections numbered 18.2-331.2, 18.2-331.3, 18.2-331.4, and 18.2-334.7, by adding in Title 58.1 a chapter numbered 42, containing articles numbered 1 through 5, consisting of sections numbered 58.1-4200 through 58.1-4225, and by adding in Title 59.1 a chapter numbered 58, consisting of a section numbered 59.1-607 as follows:

§ 18.2-325. Definitions.

As used in this article, unless the context requires a different meaning:

"Electronic gaming device" means the same as that term is defined in § 58.1-4200.

"Gambling device" includes:

1. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and other papers, that are actually used in an illegal gambling operation or activity; and

2. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic or video versions thereof, including those dependent upon the insertion of a coin or other object for their operation, that operates, either completely automatically or with the aid of some physical act by the player or operator, in such a manner that, depending upon elements of chance, it may eject something of value or determine the prize or other thing of value to which the player is entitled, provided, however, that the return to the user of nothing more than additional chances or the right to use such machine is not deemed something of value within the meaning of this subdivision, and provided further, that machines that only sell, or entitle the user to, items of merchandise of equivalent value that may differ from each other in composition, size, shape, or color shall not be deemed gambling devices within the meaning of this subdivision.

Such devices are no less gambling devices if they indicate beforehand the definite result of one or more operations but not all the operations. Nor are they any less gambling devices because, apart from their use or adaptability as such, they may also sell or deliver something of value on a basis other than chance.

"Gambling device" does not include an electronic gaming device authorized pursuant to the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1.

"Host location" means the same as that term is defined in § 58.1-4200.

"Illegal gambling" means the making, placing, or receipt of any bet or wager in the Commonwealth of money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or other consideration or thing of value, dependent upon the result of any game, contest, or any other event the outcome of which is uncertain or a matter of chance, whether such game, contest, or event occurs or is to occur inside or outside the limits of the Commonwealth.

For the purposes of this subdivision definition and notwithstanding any provision in this section to the contrary, the making, placing, or receipt of any bet or wager of money or other consideration or thing of value shall include the purchase of a product, Internet access, or other thing made in exchange for a chance to win a prize, stake, or other consideration or thing of value by means of the operation of a gambling device as described in subdivision 3 b, 2 of the definition of "gambling device," regardless of whether the chance to win such prize, stake, or other consideration or thing of value may be offered in the absence of a purchase.

"Illegal gambling" also means the playing or offering for play of any skill game.

2. "Illegal gambling" does not include the playing or offering for play of any electronic gaming device authorized pursuant to the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1.

"Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or sale within the Commonwealth of any interest in a lottery of another state or country whether or not such interest is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such

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59 interest.

60 3. "Gambling device" includes:

61 a. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and other
62 papers, which are actually used in an illegal gambling operation or activity;

63 b. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic or
64 video versions thereof, including but not limited to those dependent upon the insertion of a coin or other
65 object for their operation, which operates, either completely automatically or with the aid of some physical
66 act by the player or operator, in such a manner that, depending upon elements of chance, it may eject
67 something of value or determine the prize or other thing of value to which the player is entitled, provided,
68 however, that the return to the user of nothing more than additional chances or the right to use such machine
69 is not deemed something of value within the meaning of this subsection; and provided further, that machines
70 that only sell, or entitle the user to, items of merchandise of equivalent value that may differ from each other
71 in composition, size, shape, or color, shall not be deemed gambling devices within the meaning of this
72 subsection; and

73 e. Skill games.

74 Such devices are no less gambling devices if they indicate beforehand the definite result of one or more
75 operations but not all the operations. Nor are they any less a gambling device because, apart from their use or
76 adaptability as such, they may also sell or deliver something of value on a basis other than chance.

77 4. "Operator" includes any person, firm, or association of persons, who conducts, finances, manages,
78 supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.

79 5. "Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.

80 6. "Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine, or
81 other device that requires the insertion of a coin, currency, ticket, token, or similar object to operate, activate,
82 or play a game, the outcome of which is determined by any element of skill of the player and that may deliver
83 or entitle the person playing or operating the device to receive cash or cash equivalents, gift cards, vouchers,
84 billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents whether the payoff is
85 made automatically from the device or manually. "Skill game" includes (i) a device that contains a meter or
86 measurement device that records the number of free games or portions of games that are rewarded and (ii) a
87 device designed or adapted to enable a person using the device to increase the chances of winning free games
88 or portions of games by paying more than the amount that is ordinarily required to play the game. "Skill
89 game" does not include any amusement device, as defined in § 18.2-334.6.

90 7. "Unregistered electronic gaming device" means any electronic gaming device that does not
91 conspicuously display on the face of the electronic gaming device a required registration label pursuant to
92 the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1. Any electronic gaming device without such a
93 registration label displayed may be inferred, subject to rebuttal, to be unregistered.

94 "Unregulated location" means any location that is not fully or partially regulated or operated by the
95 Virginia Lottery or the Virginia Lottery Board, the Department of Agriculture and Consumer Services, the
96 Virginia Alcoholic Beverage Control Authority, or the Virginia Racing Commission.

97 **§ 18.2-331.1. Operation of electronic gaming devices and gambling devices at unregulated locations;
98 civil penalty.**

99 A. In addition to any other penalty provided by law, any person who conducts, finances, manages,
100 supervises, directs, sells, or owns an *electronic gaming device* or a gambling device that is located in an
101 unregulated location is subject to a civil penalty of up to \$25,000 for each *electronic gaming device* or
102 gambling device located in such unregulated location.

103 B. The Attorney General, an attorney for the Commonwealth, or the attorney for any locality may cause
104 an action in equity to be brought in the name of the Commonwealth or of the locality, as applicable, to
105 immediately enjoin the operation of an *electronic gaming device* or a gambling device in violation of this
106 section and to request an attachment against all such devices and any moneys within such devices pursuant to
107 Chapter 20 (§ 8.01-533 et seq.) of Title 8.01, and to recover the civil penalty of up to \$25,000 per device.

108 C. In any action brought under this section, the Attorney General, the attorney for the Commonwealth, or
109 the attorney for the locality may recover reasonable expenses incurred by the state or local agency in
110 investigating and preparing the case, and attorney fees.

111 D. Any civil penalties assessed under this section in an action in equity brought in the name of the
112 Commonwealth shall be paid into the Literary Fund. Any civil penalties assessed under this section in an
113 action in equity brought in the name of a locality shall be paid into the general fund of the locality.

114 **§ 18.2-331.2. Operating, placing, or possessing an electronic gaming device in an unregulated location;
115 penalty.**

116 A. It is unlawful for any person to operate, place, or possess an *electronic gaming device* in any
117 unregulated location.

118 B. Any *electronic gaming device* operated, placed, or possessed in an unregulated location may be
119 inferred, subject to rebuttal, to be in violation of this section and is subject to immediate seizure by law

120 enforcement and may be forfeited to the Commonwealth in accordance with the procedures contained in
121 Chapter 22.1 (§ 19.2-386.1 et seq.) of Title 19.2.

122 C. Any person violating this section is guilty of a Class 1 misdemeanor.

123 D. Any person who is convicted of a third or subsequent offense under this section, and it is alleged in the
124 warrant, indictment, or information that such person has been before convicted of two or more offenses
125 under this section and such prior convictions occurred before the date of the offense alleged in the warrant,
126 indictment, or information, is guilty of a Class 6 felony.

127 E. Any person who is convicted of a felony offense under this section shall have his electronic gaming
128 device license suspended for a period of two years. Any person who is convicted of a second felony offense
129 under this section shall have his electronic gaming device license suspended for a period of 10 years, and any
130 person who is convicted of a third or subsequent felony offense shall have his electronic gaming device
131 license permanently suspended. The court shall order the suspension of such license upon conviction.

132 **§ 18.2-331.3. Operating, possessing, or placing any unregistered electronic gaming device in any**
133 **location; penalty.**

134 A. It is unlawful for any person to offer for play in any location any unregistered electronic gaming
135 device.

136 B. Any electronic gaming device without a registration label displayed as required by Chapter 42 (§
137 58.1-4200 et seq.) of Title 58.1 may be inferred, subject to rebuttal, to be in violation of this section and is
138 subject to immediate seizure by law enforcement and may be forfeited to the Commonwealth in accordance
139 with the procedures contained in Chapter 22.1 (§ 19.2-386.1 et seq.) of Title 19.2.

140 C. Any person violating this section is guilty of a Class 1 misdemeanor.

141 D. Any person who is convicted of a third or subsequent offense under this section, and it is alleged in the
142 warrant, indictment, or information that such person has been before convicted of two or more offenses
143 under this section and such prior convictions occurred before the date of the offense alleged in the warrant,
144 indictment, or information, is guilty of a Class 6 felony.

145 E. Any person who is convicted of a felony offense under this section shall have his electronic gaming
146 device license suspended for a period of two years. Any person who is convicted of a second felony offense
147 under this section shall have his electronic gaming device license suspended for a period of 10 years, and any
148 person who is convicted of a third or subsequent felony offense shall have his electronic gaming device
149 license permanently suspended. The court shall order the suspension of such license upon conviction.

150 **§ 18.2-331.4. Offering for play electronic gaming devices in excess of the statutory limits; penalty.**

151 A. It is unlawful for any person to offer for play, in a single location, an electronic gaming device that is
152 in excess of the licensing requirements or statutory limits prescribed in Chapter 42 (§ 58.1-4200 et seq.) of
153 Title 58.1 regardless of whether such electronic gaming device is properly registered.

154 An electronic gaming device may be relocated from one location to another location or warehoused and
155 subsequently placed in a host location provided that the number of electronic gaming devices offered for play
156 in a single prescribed location does not exceed the licensing requirements or statutory limits for the number
157 of games that may be offered for play at that location.

158 B. Any electronic gaming devices, whether registered or not, that are operating in excess of such licensing
159 requirements or statutory limits are subject to immediate seizure and may be forfeited to the Commonwealth
160 in accordance with the procedures contained in Chapter 22.1 (§ 19.2-386.1 et seq.) of Title 19.2.

161 C. Any person violating this section is guilty of a Class 1 misdemeanor.

162 D. Any person who is convicted of a third or subsequent offense under this section, and it is alleged in the
163 warrant, indictment, or information that such person has been before convicted of two or more offenses
164 under this section and such prior convictions occurred before the date of the offense alleged in the warrant,
165 indictment, or information, is guilty of a Class 6 felony.

166 E. Any person who is convicted of a felony offense under this section shall have his electronic gaming
167 device license suspended for a period of two years. Any person who is convicted of a second felony offense
168 under this section shall have his electronic gaming device license suspended for a period of 10 years, and any
169 person who is convicted of a third or subsequent felony offense shall have his electronic gaming device
170 license permanently suspended. The court shall order the suspension of such license upon conviction.

171 **§ 18.2-334. Exception to article; private residences.**

172 Nothing in this article shall be construed to make it illegal to participate in a game of chance conducted in
173 a private residence, provided that such private residence is not commonly used for such games of chance and
174 there is no operator as defined in subsection 4 of § 18.2-325.

175 **§ 18.2-334.7. Exemptions to article; electronic gaming devices.**

176 Nothing in this article shall be construed to make it illegal to play any electronic gaming device or
177 conduct any related activity that is lawful under Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1.

178 **§ 18.2-513. Definitions.**

179 As used in this chapter:

180 "Criminal street gang" means the same as that term is defined in § 18.2-46.1.

181 "Enterprise" includes any of the following: sole proprietorship, partnership, corporation, business trust,

182 criminal street gang, or other group of three or more individuals associated for the purpose of criminal
183 activity.

184 "Proceeds" means the same as that term is defined in § 18.2-246.2.

185 "Racketeering activity" means to commit, attempt to commit, or conspire to commit or to solicit, coerce,
186 or intimidate another person to commit two or more of the following offenses: Article 2.1 (§ 18.2-46.1 et
187 seq.) of Chapter 4, § 18.2-460; a felony offense of § 3.2-4212, 3.2-4219, 10.1-1455, 18.2-31, 18.2-32,
188 18.2-32.1, 18.2-33, or 18.2-35, Article 2.2 (§ 18.2-46.4 et seq.) of Chapter 4, § 18.2-47, 18.2-48, 18.2-48.1,
189 18.2-49, 18.2-51, 18.2-51.2, 18.2-52, 18.2-53, 18.2-55, 18.2-58, 18.2-59, 18.2-77, 18.2-79, 18.2-80, 18.2-89,
190 18.2-90, 18.2-91, 18.2-92, 18.2-93, 18.2-95, 18.2-96, or 18.2-103.1, Article 4 (§ 18.2-111 et seq.) of Chapter
191 5, Article 1 (§ 18.2-168 et seq.) of Chapter 6, § 18.2-178 or 18.2-186, Article 6 (§ 18.2-191 et seq.) of
192 Chapter 6, Article 9 (§ 18.2-246.1 et seq.) of Chapter 6, § 18.2-246.13, Article 1 (§ 18.2-247 et seq.) of
193 Chapter 7, § 18.2-279, 18.2-286.1, 18.2-289, 18.2-300, 18.2-308.2, 18.2-308.2:1, 18.2-328, 18.2-331.2,
194 18.2-331.3, 18.2-331.4, 18.2-346, 18.2-346.01, 18.2-348, 18.2-348.1, 18.2-349, 18.2-355, 18.2-356, 18.2-357
195 , 18.2-357.1, 18.2-368, 18.2-369, or 18.2-374.1, Article 8 (§ 18.2-433.1 et seq.) of Chapter 9, Article 1 (§
196 18.2-434 et seq.) of Chapter 10, Article 2 (§ 18.2-438 et seq.) of Chapter 10, Article 3 (§ 18.2-446 et seq.) of
197 Chapter 10, Article 1.1 (§ 18.2-498.1 et seq.) of Chapter 12, § 3.2-6571, 18.2-516, 32.1-314, 58.1-1008.2,
198 58.1-1017, or 58.1-1017.1; or any substantially similar offenses under the laws of any other state, the District
199 of Columbia, or the United States or its territories.

200 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

201 A. As used in this section:

202 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically
203 significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria as
204 defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and where the
205 behavior is not better explained by a manic episode.

206 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
207 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as
208 a gambling disorder.

209 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem
210 Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be
211 established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection A of §
212 58.1-4038, *moneys required to be deposited into the Fund pursuant to subsection B of § 59.1-607*, and
213 moneys required to be deposited into the Fund pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 shall
214 be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in
215 the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of
216 each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be
217 used solely for the purposes of (i) providing counseling and other support services for compulsive and
218 problem gamblers, (ii) developing and implementing compulsive and problem gambling treatment and
219 prevention programs, and (iii) providing grants to support organizations that provide assistance to compulsive
220 and problem gamblers. Expenditures and disbursements from the Fund shall be made by the State Treasurer
221 on warrants issued by the Comptroller upon written request signed by the Commissioner.

222 **§ 58.1-4015.1. Voluntary exclusion program.**

223 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

224 B. The regulations shall include the following provisions:

225 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
226 program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions of
227 this article; (ii) participating in sports betting, as defined in § 58.1-4030; (iii) engaging in any form of casino
228 gaming that may be allowed under the laws of the Commonwealth; (iv) *playing any electronic gaming device*
229 *authorized pursuant to Chapter 42 (§ 58.1-4200 et seq.)*; (v) participating in charitable gaming, as defined in
230 § 18.2-340.16; ~~(vi)~~ (vi) participating in fantasy contests, as defined in § 59.1-556; or ~~(vii)~~ (vii) wagering on
231 horse racing, as defined in § 59.1-365. Any state agency, at the request of the Department, shall assist in
232 administering the voluntary exclusion program pursuant to the provisions of this section.

233 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
234 years, five years, or lifetime.

235 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
236 program may not petition the Board for removal from the program for the duration of his exclusion period.

237 4. The name of a person participating in the program shall be included on a list of excluded persons. The
238 list of persons entering the voluntary exclusion program and the personal information of the participants shall
239 be confidential, with dissemination by the Department limited to sales agents and permit holders, as defined
240 in § 58.1-4030, and any other parties the Department deems necessary for purposes of enforcement. The list
241 and the personal information of participants in the voluntary exclusion program shall not be subject to
242 disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may

243 disseminate the list to other parties upon request by the participant and agreement by the Board.

244 5. Sales agents and permit holders shall make all reasonable attempts as determined by the Board to cease
 245 all direct marketing efforts to a person participating in the program. The voluntary exclusion program shall
 246 not preclude sales agents and permit holders from seeking the payment of a debt incurred by a person before
 247 entering the program. In addition, a permit holder may share the names of individuals who self-exclude
 248 across its corporate enterprise, including sharing such information with any of its affiliates.

249 **§ 58.1-4048. Gaming Regulatory Fund.**

250 There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming
 251 Regulatory Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the
 252 Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other
 253 funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on
 254 moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund,
 255 including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in
 256 the Fund. Moneys in the Fund shall be used solely to offset the Department's costs associated with (i) the
 257 conduct of investigations required by § 58.1-4032, 58.1-4043, 58.1-4104, 58.1-4109, 58.1-4116, 58.1-4120,
 258 or 58.1-4121 or any other provision of this article ~~or~~, Chapter 41 (§ 58.1-4100 et seq.), or Chapter 42 (§
 259 58.1-4200 et seq.) and (ii) the enforcement of regulations promulgated by the Virginia Lottery Board
 260 pursuant to subdivisions A 14 and 15 of § 58.1-4007, subdivision 2 of § 58.1-4102, and §§ 58.1-4103,
 261 58.1-4202, and 58.1-4203. Expenditures and disbursements from the Fund shall be made by the State
 262 Treasurer on warrants issued by the Comptroller upon written request signed by the Director.

263 CHAPTER 42.

264 VIRGINIA GAMING COMMERCE REGULATION ACT OF 2025.

265 Article 1.

266 General Provisions.

267 **§ 58.1-4200. Definitions.**

268 *As used in this chapter, unless the context requires a different meaning:*

269 "ABC retail location" means a business location for which a valid authority retail license has been issued
 270 to a business by the Virginia Alcoholic Beverage Control Authority or the Board of Directors of the Virginia
 271 Alcoholic Beverage Control Authority pursuant to Title 4.1.

272 "Board" means the Virginia Lottery Board established in the Virginia Lottery Law (§ 58.1-4000 et seq.).

273 "Category" means the type of license granted by the Department, to include a manufacturer, distributor,
 274 operator, or host location license.

275 "Commercial motor vehicle" means the same as that term is defined in § 46.2-341.4.

276 "Department" means the independent agency responsible for the administration of the Virginia Lottery
 277 pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40 and the regulation of sports betting pursuant to
 278 Article 2 (§ 58.1-4030 et seq.) of Chapter 40, casino gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.),
 279 and electronic gaming devices pursuant to this chapter.

280 "Director" means the Director of the Virginia Lottery.

281 "Distributor" means any person registered with the Board that sells, leases, offers, or provides and
 282 distributes electronic gaming devices to an operator for use or play in the Commonwealth, and that buys or
 283 leases electronic gaming devices from a manufacturer licensee. No distributor shall contract directly with a
 284 host location.

285 "Electronic gaming" means activity using an electronic gaming device as authorized under this chapter.

286 "Electronic gaming device" means a physical terminal, machine, or other device, including electronic or
 287 computerized devices, that requires the insertion of a coin, currency, ticket, token, or similar object to
 288 operate, activate, or play a game, the outcome of which shall be determined by the predominant skill of the
 289 player, and that may deliver or entitle the person playing or operating the device to receive cash in excess of
 290 the cost of operating, activating, or playing the game. "Electronic gaming device" does not include any
 291 amusement device, as defined in § 18.2-334.6, any mobile telephone device, charitable games authorized
 292 pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2, sports betting authorized under
 293 Article 2 (§ 58.1-4030 et seq.) of Chapter 40, casino gaming authorized under Chapter 41 (§ 58.1-4100 et
 294 seq.), or historical horse racing authorized pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1.

295 "Gaming tax" means the tax imposed on electronic gaming devices.

296 "Gross profits" means all revenue generated from the play of electronic gaming devices minus prizes or
 297 cash winnings paid out to successful players.

298 "Host location" means a business establishment at which electronic gaming devices are placed, operated,
 299 and offered to the public for play in the gaming area by an operator licensee. "Host location" includes truck
 300 stops, as defined in this chapter, and any ABC retail location.

301 "Independent testing laboratory" means a laboratory selected by the Director with a national reputation
 302 for honesty, independence, and timeliness that is demonstrably competent and qualified to scientifically test
 303 and evaluate electronic gaming devices for compliance with this chapter and to otherwise perform the

304 functions assigned to it by this chapter. No manufacturer, operator, distributor, or host location licensee
305 shall have any ownership interest in any independent testing laboratory approved by the Director.

306 "Individual" means a natural person.

307 "Inducement" means anything of value offered, given, transferred, or paid, directly or indirectly, by a
308 manufacturer, distributor, procurement agent, operator, or any employee, agent, contractor, or other person
309 acting on behalf of any manufacturer, distributor, operator, or procurement agent to any host location
310 licensee or any applicant for a host location license pursuant to this chapter, or to any employee, investor,
311 owner, or officer of a host location licensee or applicant for a host location license as an enticement to
312 solicit, enter into, grant, execute, renew, extend, or maintain a use agreement by and between a host location
313 licensee and a distributor licensee, including any cash, incentive, marketing or advertising cost, gift, food,
314 beverage, loan, financing arrangement, prepayment of gross revenue, or any other contribution payment that
315 offsets a host location licensee's capital or operational costs, or as otherwise determined by the Board.

316 "Inducement" does not include costs paid by a distributor or operator licensee related to:

317 1. Costs for structural changes or modular materials or equipment used to meet minimum standards for
318 the gaming area as required by the Board or to maintain the security of the gaming area, the electronic
319 gaming devices, and ticket redemption terminals.

320 2. Surveillance equipment, alarm systems, and similar equipment or systems intended to monitor and
321 secure the electronic gaming devices, the ticket redemption terminals, and the gaming area and the perimeter
322 of the host location licensee's establishment, and any means of ingress and egress thereto.

323 3. Any wiring or rewiring of the gaming area necessary to operate electronic gaming devices, ticket
324 redemption terminals, or ancillary equipment.

325 4. Any software updates to the electronic gaming devices or ticket redemption terminals or ongoing
326 maintenance of electronic gaming devices, ticket redemption terminals, network connections, site controllers,
327 chairs, tables, supports, or other ancillary equipment necessary to operate the electronic gaming devices and
328 the ticket redemption terminals in the gaming area.

329 5. Any requirement established by the Board regarding minimum standards for the operation of electronic
330 gaming devices, ticket redemption terminals, in whole or in part, by the distributor or operator licensee.

331 "Licensee" or "license holder" means any person holding a manufacturer, distributor, operator, or host
332 location license pursuant to Article 2 (§ 58.1-4204 et seq.).

333 "Locality" means a county, city, or town, as those terms are defined in § 15.2-102.

334 "Lottery" means the lottery or lotteries established and operated pursuant to Chapter 40 (§ 58.1-4000 et
335 seq.).

336 "Manufacturer" means any person that manufactures and sells or leases electronic gaming devices or
337 software and hardware for electronic gaming devices to distributors.

338 "Operator" means a person registered with the Board to place or service electronic gaming devices at the
339 premises of a host location by (i) purchasing or leasing electronic gaming devices from a licensed
340 manufacturer or distributor; (ii) providing the placement, repair, maintenance, replacement, or removal of
341 electronic gaming devices to host locations; (iii) maintaining and servicing such devices; and (iv) facilitating
342 data collection and data and financial reporting as required by this chapter and as determined by the Board.

343 "Person" means any individual, group of individuals, firm, company, corporation, partnership, business,
344 trust, association, or other legal entity.

345 "Player" means an individual who plays an electronic gaming device.

346 "Procurement agent" means a person licensed by the Board that acts as an agent, either as an employee
347 or as an independent contractor of a manufacturer or manufacturers, distributor or distributors, operator or
348 operators, and shares in the gross profits, is paid a commission, or is otherwise compensated for the purpose
349 of soliciting or procuring a use agreement among two or more licensees in different categories.

350 "Profits after taxes" means the gross profit minus the tax imposed upon all gross profits generated from
351 the play of electronic gaming devices pursuant to §§ 58.1-4216 and 58.1-4217.

352 "Regulation" means any statement of general application having the force of law, affecting the rights or
353 conduct of any person, adopted by the Board in accordance with the authority conferred on it by applicable
354 laws.

355 "Single play" means the period beginning when a player activates and pays for the interactive gameplay
356 function of an electronic gaming device and ending at the time when the gameplay function or series of free
357 subgames thereunder will not continue without payment by the player of additional consideration.

358 "Successful player" means an individual who wins a payout on one or more plays of an electronic gaming
359 device.

360 "Ticket redemption terminal" means a terminal where a voucher dispensed by an electronic gaming
361 device may be redeemed for cash or a cash equivalent.

362 "Truck stop" means an establishment that (i) is equipped with diesel fuel islands used for fueling
363 commercial motor vehicles and has sold, on average, at least 50,000 gallons of diesel or biodiesel fuel each
364 month for the previous 12 months, or is projected to sell an average of at least 50,000 gallons of diesel or

365 biodiesel fuel each month for the next 12 months; (ii) has a convenience store; (iii) is situated on not less
 366 than three acres of land that the establishment owns or leases; and (iv) has parking spaces dedicated to
 367 commercial motor vehicles.

368 "Use agreement" means a written agreement conforming to the regulations established by the Board and
 369 those minimum requirements set forth in this chapter among two or more licensees in different categories.

370 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4203 that
 371 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision
 372 B 1 of § 58.1-4203 by placing their names on a voluntary exclusion list and following the procedures set forth
 373 by the Board.

374 **§ 58.1-4201. Powers and duties of the Director related to electronic gaming devices; reporting.**

375 A. The Director shall have the following powers and duties related to the regulation of electronic gaming
 376 devices:

377 1. Issue licenses under Article 2 (§ 58.1-4204 et seq.) and supervise all activities licensed under the
 378 provisions of this chapter, including the manufacture, distribution, operation, hosting, and playing of
 379 electronic gaming devices;

380 2. Suspend, revoke, or refuse to renew any license issued pursuant to Article 2 (§ 58.1-4204 et seq.) or the
 381 rules and regulations adopted pursuant to this chapter;

382 3. Inspect, investigate, and have free access to the offices, facilities, or other places of business of any
 383 licensee and compel the production of any books, documents, records, or memoranda of any licensee for the
 384 purpose of satisfying himself that this chapter and Board regulations are strictly complied with;

385 4. Order such audits and inspections as deemed necessary;

386 5. Certify monthly to the State Comptroller and the Board a full and complete statement of electronic
 387 gaming device revenues for the previous month;

388 6. Assess and collect civil penalties for violations of this chapter and Board regulations;

389 7. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee
 390 on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the
 391 total electronic gaming device revenues and expenses for the previous month and make an annual report,
 392 which shall include a full and complete statement of electronic gaming device revenues and expenses and a
 393 list of all licensees licensed pursuant to this chapter, to the Governor and the General Assembly, including
 394 recommendations for changes in this chapter as the Director and Board deem prudent;

395 8. Require training for host location licensees and the employees of any host location licensee as
 396 necessary on any topic the Director deems appropriate, including technical operations, security, problem
 397 gambling identification measures, and age verification procedures;

398 9. Establish monthly reporting requirements for each electronic gaming device on the amounts wagered
 399 and amounts awarded on the last 500 plays and the last 100 plays for each electronic gaming device; and

400 10. Do all acts necessary and advisable to carry out the purposes and provisions of this chapter.

401 B. Upon request by the assessing official of a locality, the Director shall provide to such assessing official
 402 of such locality a statement of the amount of the gaming tax collected in such locality pursuant to Article 4 (§
 403 58.1-4217 et seq.) from each electronic gaming device, from each host location, and from all electronic
 404 gaming devices and host locations in the aggregate.

405 **§ 58.1-4202. Powers and duties of the Board related to electronic gaming devices.**

406 In addition to the regulations adopted pursuant to § 58.1-4007, the Board shall promulgate regulations
 407 related to electronic gaming devices that:

408 1. Develop such forms, licenses, identification cards, and applications as are necessary or convenient for
 409 the administration of this chapter;

410 2. Establish requirements for all licensees under this chapter for the form, content, and retention of all
 411 records and accounts;

412 3. Establish procedures for the collection of all fees levied pursuant to this chapter and set due dates for
 413 the payment of such fees;

414 4. Establish a process for the approval or disapproval of electronic gaming devices and games offered on
 415 such devices;

416 5. Establish cash handling procedures for operator and host location licensees that require such licensees
 417 to keep separate accounts for gaming and nongaming transactions;

418 6. Establish standard terms between licensees in different categories;

419 7. Establish rules and regulations that ensure transparency with respect to operational, transactional,
 420 and financial information provided to licensees that allow such licensees to be able to verify appropriate
 421 distributions of profits after taxes pursuant to the user agreement among any such licensees;

422 8. Establish rules and regulations to ensure public safety and protocols to deter criminal activity within
 423 and around the host location's premises;

424 9. Promulgate regulations that establish limitations on excessive ATM fees for players in host locations;

425 10. Establish rules and regulations related to the level of substantial skill and the differential level of skill

- 426 *that meets the definition of "electronic gaming device" in § 58.1-4200;*
 427 *11. Establish rules and regulations for the licensing of procurement agents;*
 428 *12. Establish a process for accepting license applications, including consideration of the aggregate cap*
 429 *on the number of electronic gaming devices as well as regional diversity and population;*
 430 *13. Require inspections of all licensees at a frequency determined by the Board;*
 431 *14. Require appropriate surveillance equipment, alarm systems, or similar equipment or systems intended*
 432 *to monitor and secure the gaming area and electronic gaming devices, ticket redemption terminals,*
 433 *electronic identification terminals, and the perimeter of the host location licensee's establishment, and any*
 434 *means of ingress and egress thereto;*
 435 *15. Establish a program of periodic testing and inspection for all electronic gaming devices;*
 436 *16. Prohibit licensees and their affiliates from advertising or marketing their products and services*
 437 *related to electronic gaming devices to players or potential players. However, (i) licensees shall be allowed*
 438 *to describe their products and services on a website operated and maintained by the licensee and (ii) host*
 439 *location licensees shall be allowed to advertise on one sign located at the host location, provided that such*
 440 *sign is no larger than three feet in height by three feet in width;*
 441 *17. Require host location licensees to post at least one sign in a conspicuous location at the entrance of*
 442 *any gaming area on the premises of its establishment. Such sign shall include (i) language that makes it clear*
 443 *that only individuals 21 years of age or older may play an electronic gaming device; (ii) a toll-free telephone*
 444 *number for problem gambling assistance that has been approved by the Virginia Council on Problem*
 445 *Gambling or another organization that provides assistance to problem gamblers; and (iii) the toll-free*
 446 *telephone number and website for the illegal gaming tip line established by the Office of the Gaming*
 447 *Enforcement Coordinator in the Department of State Police for members of the public to report concerns*
 448 *about, or suspected instances of, illegal gaming activities. The Board shall also distribute written guidance to*
 449 *host location licensees that shall be used to educate host location employees on how to recognize intoxicated*
 450 *individuals; and*
 451 *18. Provide guidelines and recommendations necessary and advisable to carry out the purposes and*
 452 *provisions of this chapter.*

453 **§ 58.1-4203. Voluntary exclusion program.**

454 *A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.*

455 *B. The regulations shall include the following provisions:*

456 *1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion*
 457 *program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions*
 458 *of Chapter 40 (§ 58.1-4000 et seq.) or 41 (§ 58.1-4100 et seq.); (ii) participating in sports betting, as defined*
 459 *in § 58.1-4030; (iii) engaging in any form of casino gaming authorized under the provisions of Chapter 41 (§*
 460 *58.1-4100 et seq.); (iv) playing any electronic gaming device authorized under the provisions of this chapter;*
 461 *(v) participating in charitable gaming, as defined in § 18.2-340.16; (vi) participating in fantasy contests, as*
 462 *defined in § 59.1-556; or (vii) wagering on horse racing, as defined in § 59.1-365. Any state agency, at the*
 463 *request of the Department, shall assist in administering the voluntary exclusion program pursuant to the*
 464 *provisions of this section.*

465 *2. A person who participates in the voluntary exclusion program may choose an exclusion period of two*
 466 *years, five years, or lifetime.*

467 *3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion*
 468 *program may not petition the Board for removal from the program for the duration of his exclusion period.*

469 *4. The name of a person participating in the program shall be included on a list of excluded persons. The*
 470 *list of persons entering the voluntary exclusion program and the personal information of the participants*
 471 *shall be confidential, except that dissemination of such information by the Department to the entity that*
 472 *manages its central accounting system established pursuant to § 58.1-4215 and any other parties the*
 473 *Department deems necessary for purposes of enforcement shall be allowed. The list and the personal*
 474 *information of participants in the voluntary exclusion program shall not be subject to disclosure under the*
 475 *Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to*
 476 *other parties upon request by the participant and agreement by the Board.*

477 **Article 2.**

478 **Licenses and Requirements of Licensees.**

479 **§ 58.1-4204. Licenses that may be granted by the Director; fees.**

480 *A. The Director may grant the following four license categories of industry licenses:*

481 *1. Manufacturer license, which shall authorize the licensee to manufacture and sell or lease to a*
 482 *distributor or operator licensee electronic gaming devices, software and hardware for electronic gaming*
 483 *devices, and all tools and components necessary for the operation, repair, and maintenance of any such*
 484 *electronic gaming device.*

485 *2. Distributor license, which shall authorize the licensee to (i) buy or lease electronic gaming devices*
 486 *from a manufacturer licensee and (ii) sell or lease such devices to operator licensees.*

487 *3. Operator license, which shall authorize the licensee to (i) place or service electronic gaming devices at*

488 host locations, (ii) buy or lease electronic gaming devices from a manufacturer or distributor licensee, (iii)
489 provide electronic gaming devices to host location licensees, (iv) maintain and service such devices, and (v)
490 facilitate the data requirements and data reporting as required by this chapter.

491 4. Host location license, which shall authorize the licensee to allow the placement and offering for play of
492 electronic gaming devices at such licensee's establishment.

493 B. An applicant for a manufacturer, distributor, operator, or host location license shall submit an
494 application to the Director on forms provided by the Director. All distributor, operator, and host location
495 applicants shall be required to submit a copy of a valid use agreement as a condition of continued licensure.
496 The Board shall have the discretion to determine which license category applies to an applicant and the
497 corresponding fees that apply to the applicant when such applicant meets the criteria for multiple licenses.
498 Each host location premises shall be separately licensed.

499 C. A nonrefundable fee of \$250,000 shall be paid by an applicant for a manufacturer license to the
500 Department upon issuance of such license, and annually thereafter as a condition of licensure renewal or
501 continued licensure.

502 A nonrefundable fee of \$250,000 shall be paid by an applicant for a distributor license to the Department
503 upon issuance of such license, and annually thereafter as a condition of licensure renewal or continued
504 licensure.

505 A nonrefundable fee of \$25,000 shall be paid by an applicant for an operator license to the Department
506 upon issuance of such license, and annually thereafter as a condition of licensure renewal or continued
507 licensure.

508 A nonrefundable fee of \$1,000 shall be paid by an applicant for a host location license that does not meet
509 the definition of a "truck stop" as defined in § 58.1-4200 to the Department upon issuance of such license,
510 and annually thereafter as a condition of licensure renewal or continued licensure.

511 A nonrefundable fee of \$2,500 shall be paid by an applicant for a host location license that meets the
512 definition of a "truck stop" as defined in § 58.1-4200 to the Department upon issuance of such license, and
513 annually thereafter as a condition of licensure renewal or continued licensure.

514 All fees collected by the Department pursuant to this subsection shall be deposited into the Gaming
515 Regulatory Fund established pursuant to § 58.1-4048.

516 **§ 58.1-4205. General licensing requirements; penalty.**

517 A. The Department, in conjunction with an approved outside vendor or accredited law-enforcement
518 agency, shall conduct a background investigation, including a criminal history records check and
519 fingerprinting, of the following individuals: (i) every individual applying for a license pursuant to this article;
520 (ii) every individual who is an officer, director, board member, owner of at least a 10 percent interest in any
521 licensee, or principal of a licensee or applicant for a license and any employee of the licensee, as determined
522 by the Board, who is directly involved with a licensee; (iii) all security personnel of any licensee; and (iv) any
523 individual conducting cash handling, maintenance, or service on any electronic gaming device. Each such
524 individual shall submit his fingerprints and personal descriptive information to the Central Criminal Records
525 Exchange to be forwarded to the Federal Bureau of Investigation for a national criminal records search and
526 to the Department of State Police for a Virginia criminal history records check. The results of the
527 background check and national and state criminal records check shall be returned to the Department. This
528 subsection shall not apply to employees of host location licensees.

529 B. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
530 issued pursuant to this chapter to any person who has been (i) convicted of a crime involving moral
531 turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found guilty of any fraud or
532 misrepresentation in any connection, or (iv) convicted of a felony.

533 C. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
534 issued pursuant to this article to a partnership or corporation if he determines that any general or limited
535 partner, or officer or director of such partnership or corporation, has been (i) convicted of a crime involving
536 moral turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found guilty of any
537 fraud or misrepresentation in any connection, or (iv) convicted of a felony.

538 D. The Director may also refuse to grant a license pursuant to this article if:

539 1. The Director reasonably believes that the applicant's prior activities, criminal record, or associations
540 are likely to either (i) pose a threat to the public interest, (ii) impede the regulation of electronic gaming
541 devices, or (iii) promote unfair or illegal activities in the conduct of electronic gaming devices;

542 2. The applicant or any general or limited partner or any officer or director of such applicant knowingly
543 makes a false statement of material fact or deliberately fails to disclose information requested by the
544 Director;

545 3. The applicant or any general or limited partner or any officer or director of such applicant knowingly
546 fails to comply with the provisions of this chapter or any requirements of the Director;

547 4. The applicant's license to manufacture, distribute, operate, or offer to the public for play an electronic
548 gaming device issued by any other jurisdiction has been suspended or revoked; or

549 5. The applicant's application is incomplete.

550 *E. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or*
 551 *knowingly or willfully makes a false, fictitious, or fraudulent statement or representation in any application*
 552 *pursuant to this article is guilty of a Class 1 misdemeanor. The Director shall revoke the license of a licensee*
 553 *if, subsequent to the issuance of the license, the Director determines that the licensee knowingly or recklessly*
 554 *made a false statement of material fact to the Director in applying for the license.*

555 **§ 58.1-4206. Distributor and operator licensees.**

556 *A. No distributor licensee shall own an electronic gaming device unless such device (i) is approved by the*
 557 *Director, (ii) has been manufactured by a manufacturer licensee, and (iii) is purchased from a manufacturer*
 558 *licensee or distributor licensee. No contract between a distributor or operator licensee and a manufacturer*
 559 *licensee shall grant the distributor licensee exclusive rights to own, maintain, or place a type, model, or*
 560 *brand of electronic gaming device or ticket redemption terminal in the Commonwealth.*

561 *B. No operator licensee shall place or maintain an electronic gaming device at any establishment where it*
 562 *is offered to the public for play for a charge, directly or indirectly, unless such establishment is a host*
 563 *location licensee and has an agreement with standard terms.*

564 **§ 58.1-4207. Host location licensees; civil penalty.**

565 *A. Only the following locations are eligible to receive a host location license:*

566 *1. Host locations that do not meet the definition of a "truck stop" licensed as an agent to sell lottery tickets*
 567 *or shares pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40;*

568 *2. Host locations that meet the definition of "truck stop" licensed as an agent to sell lottery tickets or*
 569 *shares pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40; and*

570 *3. Host locations that are ABC retail locations.*

571 *B. No more than three electronic gaming devices may be located in an establishment listed in subdivision*
 572 *A 1. No more than seven electronic gaming devices may be located in an establishment listed in subdivision A*
 573 *2 or 3.*

574 *C. No host location licensee shall allow an electronic gaming device to be placed upon the premises of*
 575 *such licensee's establishment unless such device is owned or leased, placed, and maintained by an operator*
 576 *licensee. The primary business of a host location licensee shall not be the offering for play of electronic*
 577 *gaming devices.*

578 *D. No host location licensee shall use the term "casino" in its entity name, in any advertisement in*
 579 *association with its product or service, or in any manner prohibited by Board regulation. Any host location*
 580 *licensee that violates the provisions of this subsection shall be subject to a civil penalty established by the*
 581 *Board. The Director shall enforce the provisions of this subsection. All penalties collected pursuant to this*
 582 *subsection shall accrue to the Literary Fund.*

583 *E. In an effort to promote responsible gaming by players, host location licensees shall:*

584 *1. Affix to a clearly visible and conspicuous location on each electronic gaming device a label that bears*
 585 *a toll-free number for problem gambling assistance that has been approved by the Virginia Council on*
 586 *Problem Gambling or other organizations that provide assistance to problem gamblers;*

587 *2. Provide informational leaflets or other similar materials in the gaming area on the dangers associated*
 588 *with problem gambling; and*

589 *3. Comply with, and require its employees to comply with, any applicable Board regulations, including*
 590 *regulations regarding player self-exclusion programs, player identification, and player age verification.*

591 *Nothing contained in this subsection shall be construed to create any cause of action against the Board or*
 592 *Department for the failure of a host location licensee to comply with the requirements of this section.*

593 *F. All host location licensees shall comply with the provisions of this chapter and regulations adopted by*
 594 *the Board.*

595 **§ 58.1-4208. License posting; expiration.**

596 *A. Each license granted by the Director shall designate the physical location where the business of the*
 597 *licensee will be carried out.*

598 *B. Each license shall be posted in a location conspicuous to the public at the place where the licensee*
 599 *carries out the business for which the license is granted.*

600 *C. The privileges conferred by any initial license application approved by the Director shall continue*
 601 *until the last day of the twelfth month after the effective date of such license. Upon completion of the first year*
 602 *of licensure, licenses shall be renewed until the next June 30 based upon the payment of a prorated renewal*
 603 *fee. Annually thereafter, licenses shall be renewed on July 1 and include payment of the renewal fee. A*
 604 *license may be sooner terminated for any cause for which the Director would be entitled to refuse to grant a*
 605 *license or by operation of law, voluntary surrender, or order of the Director.*

606 *D. The Director may grant licenses for one year.*

607 *E. Sixty days before the expiration of a license, the license holder may submit a renewal application on*
 608 *forms prescribed by the Board. The Director may deny a license renewal if he finds grounds for denial as*
 609 *described in § 58.1-4205.*

610 **§ 58.1-4209. Prohibition against the issuance of multiple licenses.**

611 *A. For purposes of this section, "interest" means the direct or indirect ownership of any equity ownership*

612 interest or a partial equity ownership interest or any other type of financial interest, including being an
613 investor, shareholder, member, lender, or employee.

614 B. No licensee that has been issued a manufacturer license, distributor license, or operator license shall
615 be issued a host location license or have any interest in a host location licensee.

616 C. No licensee that has been issued a manufacturer license, distributor license, or host location license
617 shall be issued an operator license or have any interest in an operator licensee.

618 D. No licensee that has been issued a host location license shall be issued a manufacturer license or
619 distributor license or have any interest in a manufacturer licensee or distributor licensee.

620 E. A licensee that has been issued a manufacturer license may also be issued a distributor licensee or
621 have an interest in a distributor licensee.

622 F. A licensee that has been issued a distributor license may also be issued a manufacturer license or have
623 an interest in a manufacturer licensee.

624 G. Host location applicants with interest in multiple host locations shall submit a separate application for
625 each individual host location premises.

626 **§ 58.1-4210. Prohibition against transferring licenses or interests.**

627 No licensee shall transfer its license or assign responsibility for compliance with the conditions of its
628 license to any party, including a transfer of effective control of the licensee. No distributor licensee shall
629 transfer any electronic gaming device or any interest in a use agreement.

630 **§ 58.1-4211. Suspension and revocation of licenses; civil penalties; hearing and appeal.**

631 A. If the Director determines that any provision of this chapter or any regulation or condition of the
632 Board has not been complied with or has been violated by a licensee, he may, with at least 15 days' notice
633 and a hearing, (i) assess a civil penalty against the licensee under a framework established by the Board and
634 (ii) suspend or revoke the license holder's license. If any license is suspended or revoked, the Director shall
635 state his reasons for doing so, which shall be entered of record. Any civil penalties collected pursuant to this
636 section shall be paid into the state treasury and credited to the Literary Fund.

637 B. Any person aggrieved by a refusal of the Director to issue any license, the suspension or revocation of
638 a license, the imposition of a fine, or any other action of the Director may seek review of such action in
639 accordance with Board regulations and Article 3 (§ 2.2-4018 et seq.) of the Administrative Process Act in the
640 Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 (§ 2.2-4025
641 et seq.) of the Administrative Process Act.

642 C. Suspension or revocation of a license by the Director for any violation shall not preclude criminal
643 liability for such violation.

644 **§ 58.1-4212. Minimum requirements for use agreements among two or more categories of licensees;
645 division of revenue.**

646 A. The Board shall promulgate regulations determining the minimum requirements and terms for use
647 agreements among licensees, including timelines for submitting use agreements to the Department.

648 B. A copy of the use agreement shall be maintained in the business office of both the operator and the host
649 location and shall be available at all times for inspection by the Director. An operator shall file a copy of any
650 such use agreement with the Director within 30 days after the execution of such agreement.

651 C. No person shall receive any portion of gross profits generated from electronic gaming devices located
652 at a host location's premises except for the distributor, operator, and host location that are parties to the use
653 agreement, except as approved by the Director in compliance with applicable rules and regulations adopted
654 by the Board.

655 Article 3.

656 Authorization of Electronic Gaming Devices.

657 **§ 58.1-4213. Approval of electronic gaming devices by the Director; minimum requirements.**

658 A. No electronic gaming device shall be offered for play by the public in the Commonwealth unless such
659 electronic gaming device has first been approved by the Director. The Director shall not approve more than
660 30,000 electronic gaming devices in the aggregate, as measured by electronic gaming devices approved for
661 host location licensees for operation at any one time in the Commonwealth, and such approvals shall be
662 determined by the Board.

663 B. Before selling or otherwise providing an electronic gaming device to a distributor, a manufacturer
664 shall provide a prototype or production sample of such electronic gaming device to an independent testing
665 laboratory that has been approved by the Director, which shall evaluate and certify whether such electronic
666 gaming device meets the definition of electronic gaming device under § 58.1-4200, the requirements of §
667 58.1-4214, and any other requirements established in Board regulations.

668 A prototype or production sample of each type, version, or model of electronic gaming device being
669 operated in the Commonwealth shall be tested by an independent testing laboratory approved by the Director
670 to ensure its integrity, level of skill required, and proper working order. This evaluation shall include a
671 review of installed software periodically within a timeframe established by the Director.

672 The independent testing laboratory's software may be embedded within the game software, utilize an

673 interface port to communicate with the device, or require the removal of device media for external
674 verification.

675 C. Along with the prototype or production sample of the electronic gaming device, the manufacturer shall
676 provide the following information concerning the electronic gaming device to the independent testing
677 laboratory:

- 678 1. The available wagering denominations;
- 679 2. The minimum wager amount;
- 680 3. The maximum wager amount per play, which shall not exceed \$5;
- 681 4. The method of calculating winning payouts, including skill level achieved; and
- 682 5. Payout calculations set forth in sufficient detail to audit a payout through manual calculation.

683 D. The report of the independent testing laboratory shall be submitted by the manufacturer to the
684 Director. The Director shall use the report in evaluating whether the electronic gaming device shall be
685 approved under this chapter.

686 E. If at any time a manufacturer makes a substantive change to game play for any electronic gaming
687 device that has previously been approved by the Director, such manufacturer shall resubmit the electronic
688 gaming device to the Director in a manner prescribed by Board regulation.

689 F. The manufacturer licensee shall pay the cost of the independent testing laboratory's review and testing,
690 and the reports of the same shall be delivered to the licensee and the Director.

691 **§ 58.1-4214. Minimum requirements of electronic gaming devices.**

692 In addition to meeting the definition of electronic gaming device established in § 58.1-4200, electronic
693 gaming devices shall:

- 694 1. Show the rules of play for each game in a way that adequately describes or displays such information
695 so that a reasonable person could understand the game prior to placing a wager;
- 696 2. Accept only cash wagers or tickets generated from electronic gaming devices that may be redeemed for
697 play at another electronic gaming device located on the same premises;
- 698 3. Prohibit the modification of the rules of play for a game once a game is initiated;
- 699 4. Prohibit the remote modification or manipulation of games, except as required or approved by the
700 Director pursuant to the provisions of this chapter;
- 701 5. Pay out no more than \$4,000 in winnings for a single play of a game;
- 702 6. Have an identification badge or sufficient integrity affixed to the exterior of the device by the
703 manufacturer that is not removable without leaving evidence of tampering;
- 704 7. Have a currency storage area that is secured by two locks before the currency can be removed and that
705 is only accessible by the operator licensee;
- 706 8. Make payments to successful players by issuing a voucher that can be redeemed for cash at the host
707 location's ticket redemption terminal;
- 708 9. Have the ability to allow for an independent integrity check by an independent testing laboratory
709 approved by the Director of all software that may affect the integrity of the game;
- 710 10. Be connected to the central accounting system established and operated by the Department under the
711 provisions of § 58.1-4215;
- 712 11. Have the ability to detect and display the device's complete play history and winnings for the previous
713 100 games;
- 714 12. Contain a non-resettable meter, which shall be located in a locked area of the device that is accessible
715 only by a key;
- 716 13. Have the capability of storing the meter information for a minimum of 180 days after a power loss to
717 the device; and
- 718 14. Conspicuously display the required registration label on the face of the device issued in accordance
719 with this chapter.

720 **§ 58.1-4215. Requirement for central accounting system.**

721 A. Each electronic gaming device and ticket redemption terminal being operated in the Commonwealth
722 shall be connected to a central accounting system established and operated by the Department.

723 The central accounting system shall collect the following information from each device: (i) cash in; (ii)
724 payouts; (iii) points, credits, or amounts played; (iv) points, credits, or amounts won; (v) gross profit; (vi) the
725 number of plays of the game; and (vii) the amounts paid to play the game.

726 The central accounting system shall not provide for the monitoring or reading of personal or financial
727 information concerning players of electronic gaming devices.

728 B. Within 90 days after the end of each fiscal year, the category of licensee responsible for the remittance
729 of the gaming tax as determined by the Board, shall submit to the Director a third-party, independent audit of
730 the financial transactions and condition of such licensee's total operations. All audits required by this
731 subsection shall conform to Board regulations.

732 **§ 58.1-4216. Conspicuous labeling of all electronic gaming devices.**

733 The distributor of each electronic gaming device shall cause to be adhered to each electronic gaming

734 device a label as prescribed by the Director prior to the placement of such electronic gaming device in a host
 735 location. The Department shall provide the required labels. All labels shall be adhered on the face of all
 736 electronic gaming devices in a conspicuous and visible location to the Department, law-enforcement agents
 737 and officers, and players of the game. Any electronic gaming device offered for play without the requisite
 738 label adhered to the electronic gaming device shall be, in addition to any other penalty provided by law, in
 739 violation of this chapter.

740 Article 4.
 741 Taxation.

742 **§ 58.1-4217. Gaming tax on gross profits.**

743 A. 1. Distributors shall remit a monthly tax of \$1,200 to the Department for each electronic gaming device
 744 that such distributor provided for play in the Commonwealth during the previous month. No more than a
 745 total of 30,000 electronic gaming devices may be distributed for play in the Commonwealth at any time.

746 2. The gaming tax imposed pursuant to this section shall not apply to any activity regulated under Article
 747 2 (§ 58.1-4030 et seq.) of Chapter 40 or Chapter 41 (§ 58.1-4100 et seq.).

748 3. The gaming taxes collected shall accrue to the Virginia Gaming Commerce Regulation Fund and be
 749 allocated in accordance with § 59.1-607.

750 B. The gaming tax collected pursuant to this section shall be collected by the Department at a frequency
 751 established by Board regulations and shall be accompanied by forms and returns prescribed by the Board.
 752 The Director may suspend or revoke a license for willful failure to submit any such payments or associated
 753 returns within the specified time.

754 **§ 58.1-4218. Elementary and Secondary Education Fund.**

755 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Elementary
 756 and Secondary Education Fund, referred to in this section as the "Fund." The Fund shall be established on
 757 the books of the Comptroller and interest earned on moneys in the Fund shall remain in the Fund and be
 758 credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year
 759 shall not revert to the general fund but shall remain in the Fund. The Fund shall consist of (i) any gross
 760 receipts tax distributed pursuant to subdivision B 2 of § 59.1-607; (ii) any other moneys appropriated to it by
 761 the General Assembly; and (iii) such other sums as may be made available to it from any other source, public
 762 or private, all of which shall be credited to the Fund.

763 Amounts appropriated from the Fund to the Commonwealth's counties, cities, and towns, and the school
 764 divisions thereof, shall be expended for the purposes of public elementary and secondary education.

765 Any county, city, or town that accepts a distribution from the Fund shall provide its portion of the cost of
 766 maintaining an educational program meeting the standards of quality prescribed pursuant to Article VIII,
 767 Section 2 of the Constitution of Virginia without the use of distributions from the Fund.

768 B. For the purposes of the Comptroller's preliminary and final annual reports required by § 2.2-813, all
 769 deposits to and appropriations from the Fund shall be accounted for and considered to be a part of the
 770 general fund of the state treasury.

771 Article 5.

772 Prohibited Acts; Penalties, Etc.

773 **§ 58.1-4219. Illegal manufacture, distribution, or hosting; penalty.**

774 A. In addition to any other penalties provided for by law, no person shall:

775 1. Manufacture, sell, or lease to any person electronic gaming devices or major components or parts,
 776 including software and hardware, for electronic gaming devices without a manufacturer license issued by the
 777 Director.

778 2. Distribute, sell, or lease to any person electronic gaming devices or major components or parts,
 779 including software or hardware, for electronic gaming devices, or purchase, own, operate, possess, or place
 780 in the Commonwealth electronic gaming devices, or maintain and service such devices without a distributor
 781 license issued by the Director.

782 3. Operate an establishment where one or more electronic gaming devices are made available for play by
 783 the public without a host location license issued by the Director.

784 4. Solicit, offer, or enter into any contract or agreement for the placement of an electronic gaming device
 785 until the distributor, operator, host location, and procurement agent, if applicable, are all issued a license by
 786 the Director pursuant to this chapter.

787 B. A violation of this section is a Class 6 felony.

788 **§ 58.1-4220. Underage play prohibited; penalty.**

789 A. In addition to any other penalties provided for by law, no person younger than 21 years of age shall be
 790 eligible to operate an electronic gaming device regulated pursuant to this chapter. A distributor licensee
 791 shall adhere to the front of all electronic gaming devices a notice in 16-point Times New Roman bold font
 792 that states the following: "No person shall play any electronic gaming device unless such person is 21 years
 793 of age or older."

794 B. In addition to any other penalties provided for by law, no person shall redeem any evidence of

795 winnings from any person who is not 21 years of age or older.

796 C. A violation of this section is a Class 1 misdemeanor.

797 **§ 58.1-4221. Prohibited acts by host location licensees; penalty.**

798 A. In addition to any other penalties provided for by law, no host location licensee or its employees or
799 agents shall:

800 1. Knowingly permit any person who is not 21 years of age or older to play any electronic gaming device;

801 2. Give any reward for the play of an electronic gaming device that is not authorized by this chapter;

802 3. Give any reward for the play of an electronic gaming device that is redeemable at a location other than
803 the host location's ticket redemption terminal;

804 4. Accept any inducement from a distributor licensee; or

805 5. Extend credit to any person for the purpose of playing any electronic gaming device.

806 B. A violation of this section is a Class 1 misdemeanor.

807 C. Any person who is convicted of a third or subsequent offense under this section, and it is alleged in the
808 warrant, indictment, or information that such person has been before convicted of two or more offenses
809 under this section and such prior convictions occurred before the date of the offense alleged in the warrant,
810 indictment, or information, is guilty of a Class 6 felony.

811 D. Any person who is convicted of a felony offense under this section shall have his electronic gaming
812 device license suspended for a period of two years. Any person who is convicted of a second felony offense
813 under this section shall have his electronic gaming device license suspended for a period of 10 years, and any
814 person who is convicted of a third or subsequent felony offense shall have his electronic gaming device
815 license permanently suspended. The court shall order the suspension of such license upon conviction.

816 **§ 58.1-4222. Illegal tampering with electronic gaming devices; penalty.**

817 In addition to any other penalties provided for by law, no person other than an operator licensee shall
818 possess or use any key or device designed for the purpose of opening, entering, or affecting the operation of
819 an electronic gaming device or otherwise tamper with an electronic gaming device. A violation of this section
820 is a Class 6 felony.

821 **§ 58.1-4223. Conspiracies and attempts to commit violations; penalty.**

822 A. In addition to any other penalties provided for by law, any person who conspires, confederates, or
823 combines with another, either within or outside of the Commonwealth, to commit a felony prohibited by this
824 chapter is guilty of a Class 6 felony.

825 B. In addition to any other penalties provided for by law, any person who attempts to commit any act
826 prohibited by this chapter is guilty of a criminal offense and shall be punished as provided in § 18.2-26,
827 18.2-27, or 18.2-28, as appropriate.

828 **§ 58.1-4224. Exclusion from the applicability of this chapter.**

829 This chapter shall not apply to sports betting authorized under Article 2 (§ 58.1-4030 et seq.) of Chapter
830 40 or casino gaming authorized under Chapter 41 (§ 58.1-4100 et seq.).

831 **§ 58.1-4225. Certain provisions in Article 1 (§ 58.1-4000 et seq.) of Chapter 40 to apply mutatis
832 mutandis.**

833 Except as provided in this chapter, the provisions of subdivision A 54 of § 2.2-3711, § 11-16.1,
834 subdivision A 15 of § 19.2-389, and Article 1 (§ 58.1-4000 et seq.) of Chapter 40 shall apply mutatis
835 mutandis to electronic gaming devices under this chapter. The Board shall promulgate regulations to
836 interpret and clarify the applicability of Article 1 to this chapter.

837 CHAPTER 58.

838 VIRGINIA GAMING COMMERCE REGULATION.

839 **§ 59.1-607. Virginia Gaming Commerce Regulation Fund; distribution of gross profits and gaming tax
840 revenue.**

841 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia
842 Gaming Commerce Regulation Fund, referred to in this section as the "Fund." The Fund shall be established
843 on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter
844 shall be paid into the state treasury and credited to the Fund and interest earned on moneys in the Fund shall
845 remain in the Fund and be credited to it.

846 B. Revenues from the Fund shall be apportioned by the Comptroller as follows:

847 1. Two and a half percent to the Problem Gambling Treatment and Support Fund established pursuant to
848 § 37.2-314.2;

849 2. Seventy percent to the Elementary and Secondary Education Fund established pursuant to § 58.1-4218
850 for the purpose of elementary and secondary public education in the Commonwealth;

851 3. Fifteen percent to the Department of Taxation for distribution to the locality in which the host location
852 operates provided that such locality agrees to appropriate at least 33 percent of such distribution to the
853 locality's local law-enforcement agencies;

854 4. Two and a half percent to the Department of State Police to be used by the Office of the Gaming
855 Enforcement Coordinator established pursuant to § 52-54;

856 5. Five percent to the Interstate 81 Corridor Improvement Fund established pursuant to § 33.2-3601; and

857 6. Five percent to the Gaming Regulatory Fund established pursuant to § 58.1-4048 to cover the costs of
 858 administration and oversight of electronic gaming devices, including the central accounting system, in
 859 accordance with the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1.

860 C. Allocation of funds pursuant to this section shall occur no later than 60 days after such funds are
 861 collected and only after the Department has verified the accuracy of the collected balances.

862 D. For purposes of this section, "Department" means the independent agency responsible for the
 863 administration of the Virginia Lottery pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40 of Title 58.1
 864 and the regulation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.) of Chapter 40 of Title 58.1,
 865 casino gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, and electronic gaming devices
 866 pursuant to Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1.

867 2. That, notwithstanding the provisions of the first enactment of this act to the contrary and until the
 868 Virginia Lottery Board (the Board) adopts the permanent regulations necessary to implement the
 869 provisions of this act pursuant to the fifth enactment of this act, the provisions of the first enactment of
 870 this act shall be administered by the Virginia Alcoholic Beverage Control Authority (the Authority).
 871 During the Authority's administration of such provisions, the Authority shall be vested with all powers
 872 and duties of the Board that are necessary for such administration of the provisions of the first, second,
 873 third, and fourth enactments of this act, including the collection of fees and taxes as described in §§
 874 58.1-4204 and 58.1-4217 of the Code of Virginia, as created by this act. No later than August 30, 2025,
 875 each distributor of an electronic gaming device shall file a registration statement with the Authority on
 876 such form as may be prescribed by the Authority. Such registration statement shall include all
 877 electronic gaming devices that are available for play by such distributor and such information as may
 878 be prescribed by the Authority. Such registration statement also shall include (i) the total number of
 879 electronic gaming devices provided for play in the Commonwealth by such distributor; (ii) the address
 880 of each location where the electronic gaming devices are provided for play in the Commonwealth by
 881 such distributor; (iii) the total number of electronic gaming devices provided for play in the
 882 Commonwealth by such distributor at each respective location; and (iv) the name, address, and contact
 883 information of the individual responsible for full and total compliance with Chapter 42 (§ 58.1-4200 et
 884 seq.) of Title 58.1 of the Code of Virginia, as created by this act, and law and a statement that such
 885 individual shall be responsible for any penalty assessed for violations of Chapter 42 (§ 58.1-4200 et
 886 seq.) of Title 58.1 of the Code of Virginia, as created by this act, or law applicable to the distributor of
 887 any electronic gaming devices. Such individual shall certify that the initial registration is a true and
 888 accurate accounting of the information provided in the initial registration statement. Failure to file
 889 such registration statement by August 30, 2025, shall result in the barring of any such electronic
 890 gaming devices not registered. Any such electronic gaming device not included in such registration
 891 statement that is operating or placed in the Commonwealth shall be considered an unregistered
 892 electronic gaming device, as defined in § 18.2-325 of the Code of Virginia, as amended by this act, and
 893 subject such penalties pursuant to § 18.2-331.2, 18.2-331.3, or 18.2-331.4 of the Code of Virginia, as
 894 created by this act. Each distributor of an electronic gaming device shall post a surety bond naming the
 895 Authority as beneficiary. The Authority may call the bond for any violation of Chapter 42 (§ 58.1-4200
 896 et seq.) of Title 58.1 of the Code of Virginia, as created by this act, or law regulating electronic gaming
 897 devices.

898 3. That by July 30, 2025, the Virginia Alcoholic Beverage Control Authority (the Authority) shall
 899 create a registration label that is to be adhered to each individual electronic gaming device that is
 900 properly registered with the Authority. The Authority shall make available such label to the
 901 distributor of each and every electronic gaming device placed in a host location, as provided for in §§
 902 58.1-4200 and 58.1-4207 of the Code of Virginia, as created by this act, by August 25, 2025, and no later
 903 than September 1, 2025, the distributor of each and every electronic gaming device placed in a host
 904 location shall cause such label to be adhered to each individual electronic gaming device that was
 905 previously prescribed by the Authority. All labels shall be placed on the face of the electronic gaming
 906 device in a clearly visible and conspicuous location for law enforcement and players. Any electronic
 907 gaming device found to not have such label and not be properly registered with the Authority shall be
 908 in violation of this act and subject to immediate seizure and forfeiture pursuant to § 18.2-331.2,
 909 18.2-331.3, or 18.2-331.4 of the Code of Virginia, as created by this act.

910 4. That beginning October 1, 2025, and each month following until the Virginia Lottery Board (the
 911 Board) adopts the regulations necessary to implement the provisions of this act, each distributor shall
 912 provide a report to the Virginia Alcoholic Beverage Control Authority (the Authority), in such form as
 913 required by the Authority, detailing (i) the total number of electronic gaming devices provided for play
 914 in the Commonwealth by such distributor, (ii) the address of each location where the electronic gaming
 915 devices are provided for play in the Commonwealth by such distributor, (iii) the total number of
 916 electronic gaming devices provided for play in the Commonwealth by such distributor at each
 917 respective location, (iv) the total amount wagered during the previous month on each electronic gaming

918 device provided for play in the Commonwealth by such distributor at each respective location where
919 the electronic gaming device was provided, and (v) the total amount of prizes or winnings awarded
920 during the previous month on each electronic gaming device provided for play in the Commonwealth
921 by such distributor at each respective location where the electronic gaming device was provided. The
922 Authority shall aggregate information collected pursuant to this enactment and report it to the
923 Governor, the Chairman of the Senate Committee on Finance and Appropriations, and the Chairmen
924 of the House Committees on Appropriations and Finance on a monthly basis. The October 1, 2025,
925 report from each distributor to the Authority shall also include the required reportable information
926 for the period of time from July 1, 2025, to September 30, 2025.

927 For purposes of the second, third, and fourth enactments, "distributor" means any person that (i)
928 manufactures and sells electronic gaming devices, including software and hardware, and distributes
929 such devices to a host location or (ii) purchases or leases electronic gaming devices from a
930 manufacturer and provides such devices to a host location, and who otherwise maintains such
931 electronic gaming devices and is otherwise responsible for on-site data collection and accounting.

932 5. That, by June 30, 2026, the Virginia Lottery Board (the Board) shall implement permanent
933 regulations necessary to implement the provisions of this act. The Board's initial adoption of such
934 regulations shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of
935 Virginia), except that the Board shall provide an opportunity for public comment on the regulations
936 prior to adoption. The Board shall certify in writing to the Virginia Code Commission the date of final
937 adoption of such regulations. However, the Board may adopt emergency regulations necessary to
938 implement the provisions of this act by January 1, 2026. The Board's adoption of such emergency
939 regulations shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of
940 Virginia), except that the Board shall provide an opportunity for public comment on the regulations
941 prior to adoption.

942 6. That the initial procurement by the Virginia Lottery of the central accounting system for electronic
943 gaming devices required by § 58.1-4215 of the Code of Virginia, as created by this act, shall be exempt
944 from the departmental procurement regulations promulgated by the Virginia Lottery Board pursuant
945 to § 58.1-4007 of the Code of Virginia. The Virginia Lottery may charge reasonable fees to recover any
946 actual costs incurred in such initial procurement to manufacturers, distributors, and operators, as such
947 terms are defined in § 58.1-4200 of the Code of Virginia, as created by this act, and any fees so charged
948 shall be in addition to any authorized by the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1
949 of the Code of Virginia, as created by this act.

950 7. That the Virginia Lottery (the Department) is authorized to begin accepting applications for
951 licensure in accordance with the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1 of the Code
952 of Virginia, as created by this act, on January 1, 2026. Licenses shall be issued no later than July 1,
953 2026. Notwithstanding the provisions of § 58.1-4204 of the Code of Virginia, as created by this act, the
954 Department may, for an amount of time to be determined by the Virginia Lottery Board, require an
955 applicant for licensure to pay all application fees at the time the applicant submits its application to the
956 Department. Any applicant who, during such period, submits an application and accompanying fee but
957 is not granted a license by the Department shall be reimbursed. The Director of the Virginia Lottery
958 shall, beginning August 30, 2025, provide quarterly status updates to the Chairmen of the Senate
959 Committee on Finance and Appropriations, House Committee on Appropriations, Senate Committee
960 on General Laws and Technology, and House Committee on General Laws and to the Governor on the
961 status and implementation of this act, including the procurement of the central accounting system for
962 electronic gaming devices required by § 58.1-4215 of the Code of Virginia, as created by this act.

963 8. That the provisions of this act may result in a net increase in periods of imprisonment or
964 commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary
965 appropriation cannot be determined for periods of imprisonment in state adult correctional facilities;
966 therefore, Chapter 2 of the Acts of Assembly of 2024, Special Session I, requires the Virginia Criminal
967 Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the
968 Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for
969 periods of commitment to the custody of the Department of Juvenile Justice.