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SENATE BILL NO. 1287
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on General Laws and Technology
on _____)
(Patron Prior to Substitute—Senator Reeves)

A BILL to amend and reenact §§ 2.2-203.3, 2.2-401.01, 2.2-3705.3, 2.2-3705.6, 2.2-3705.7, 2.2-3711, 2.2-3802, 2.2-4002, 2.2-4346, 3.2-102, 3.2-6201, 4.1-100, 4.1-206.3, as it is currently effective and as it shall become effective, 8.01-216.3, 8.01-534, 11-16.1, 11-16.2, 15.2-912.2, 15.2-2825, 18.2-325, 18.2-326, 18.2-334.2 through 18.2-334.5, 19.2-66, 19.2-215.1, 19.2-389, 19.2-390, 22.1-140.1, 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439, 58.1-460, 58.1-3510, 58.1-3732.1, and 59.1-542.1 of the Code of Virginia; to amend the Code of Virginia by adding a title numbered 29.5, containing a subtitle numbered I, containing chapters numbered 1 through 6, consisting of sections numbered 29.5-100 through 29.5-648, and a subtitle numbered II, containing chapters numbered 7 and 8, consisting of sections numbered 29.5-700 through 29.5-814; and to repeal §§ 2.2-2455 and 2.2-2456, Article 1.1:1 (§§ 18.2-340.15 through 18.2-340.37) of Chapter 8 of Title 18.2, Chapter 40 (§§ 58.1-4000 through 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through 58.1-4141) of Title 58.1, Chapter 29 (§§ 59.1-364 through 59.1-405) of Title 59.1, and Chapter 51 (§§ 59.1-556 through 59.1-570) of Title 59.1 of the Code of Virginia, relating to Virginia Gaming Commission; established; penalties.

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-203.3, 2.2-401.01, 2.2-3705.3, 2.2-3705.6, 2.2-3705.7, 2.2-3711, 2.2-3802, 2.2-4002, 2.2-4346, 3.2-102, 3.2-6201, 4.1-100, 4.1-206.3, as it is currently effective and as it shall become effective, 8.01-216.3, 8.01-534, 11-16.1, 11-16.2, 15.2-912.2, 15.2-2825, 18.2-325, 18.2-326, 18.2-334.2 through 18.2-334.5, 19.2-66, 19.2-215.1, 19.2-389, 19.2-390, 22.1-140.1, 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439, 58.1-460, 58.1-3510, 58.1-3732.1, and 59.1-542.1 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a title numbered 29.5, containing a subtitle numbered I, containing chapters numbered 1 through 6, consisting of sections numbered 29.5-100 through 29.5-648, and a subtitle numbered II, containing chapters numbered 7 and 8, consisting of sections numbered 29.5-700 through 29.5-814, as follows:

§ 2.2-203.3. Position established; agencies for which responsible; additional duties.

The position of Secretary of Agriculture and Forestry (the Secretary) is created. The Secretary shall be

31 responsible to the Governor for the following agencies: Department of Forestry, Department of Agriculture
32 and Consumer Services, and Virginia Agricultural Council, ~~and Virginia Racing Commission~~. The Governor,
33 by executive order, may assign any state executive agency to the Secretary, or reassign any agency listed in
34 this section to another Secretary.

35 **§ 2.2-401.01. Liaison to Virginia Indian tribes; Ombudsman for Tribal Consultation; Virginia**
36 **Indigenous People's Trust Fund.**

37 A. The Secretary of the Commonwealth shall:

- 38 1. Serve as the Governor's liaison to the Virginia Indian tribes;
- 39 2. Designate an Ombudsman for Tribal Consultation pursuant to subsection B; and
- 40 3. Report annually on the status of Indian tribes in Virginia.

41 B. The Secretary of the Commonwealth shall designate, in consultation with and upon the advice of
42 federally recognized Tribal Nations in the Commonwealth, an Ombudsman for Tribal Consultation (the
43 Ombudsman). The Ombudsman shall:

- 44 1. Facilitate communication between federally recognized Tribal Nations in the Commonwealth and
45 relevant state agencies and local governments for consultation on environmental, cultural, and historical
46 permits and reviews;
- 47 2. Develop a list of localities in ongoing consultation with the federally recognized Tribal Nations in
48 which federally recognized Tribal Nations in the Commonwealth shall be consulted regarding actions and
49 projects pursuant to §§ 10.1-104.02, 10.1-1186.3:1, 10.1-2205.1, and 28.2-104.01;
- 50 3. Assist the Department of Environmental Quality, the Department of Conservation and Recreation, the
51 Department of Historic Resources, and the Virginia Marine Resources Commission in developing policies
52 and procedures to ensure meaningful and appropriate consultation with federally recognized Tribal Nations in
53 the Commonwealth regarding permits and reviews; and
- 54 4. Make recommendations to the Governor about additional permits and reviews that, in the opinion of the
55 Ombudsman, should require consultation with federally recognized Tribal Nations in the Commonwealth.

56 C. The Secretary of the Commonwealth may establish a Virginia Indian advisory board to assist the
57 Secretary in reviewing applications seeking recognition as a Virginia Indian tribe and to make
58 recommendations to the Secretary, the Governor, and the General Assembly on such applications and other
59 matters relating to recognition as follows:

60 1. The members of any such board shall be composed of no more than seven members to be appointed by
61 the Secretary as follows: at least three of the members shall be members of Virginia recognized tribes to
62 represent the Virginia Indian community, and one nonlegislative citizen member shall represent the
63 Commonwealth's scholarly community. The Librarian of Virginia, the Director of the Department of Historic
64 Resources, and the Superintendent of Public Instruction, or their designees, shall serve ex officio with voting
65 privileges. Nonlegislative citizen members of any such board shall be citizens of the Commonwealth. Ex
66 officio members shall serve terms coincident with their terms of office. Nonlegislative citizen members shall
67 be appointed for a term of two years. Appointments to fill vacancies, other than by expiration of a term, shall
68 be for the unexpired terms. All members may be reappointed. The Secretary of the Commonwealth shall
69 appoint a chairperson from among the members for a two-year term. Members shall be reimbursed for
70 reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-2813 and
71 2.2-2825.

72 2. Any such board shall have the following powers and duties:

73 a. Establish guidance for documentation required to meet the criteria for full recognition of the Virginia
74 Indian tribes that is consistent with the principles and requirements of federal tribal recognition;

75 b. Establish a process for accepting and reviewing all applications for full tribal recognition;

76 c. Appoint and establish a workgroup on tribal recognition composed of nonlegislative citizens at large
77 who have knowledge of Virginia Indian history and current status. Such workgroup (i) may be activated in
78 any year in which an application for full tribal recognition has been submitted and in other years as deemed
79 appropriate by any such board and (ii) shall include at a minimum a genealogist and at least two scholars with
80 recognized familiarity with Virginia Indian tribes. No member of the workgroup shall be associated in any
81 way with the applicant. Members of the workgroup shall be reimbursed for reasonable and necessary
82 expenses incurred in the performance of their duties as provided in §§ 2.2-2813 and 2.2-2825;

83 d. Solicit, accept, use, and dispose of gifts, grants, donations, bequests, or other funds or real or personal
84 property for the purpose of aiding or facilitating the work of the board;

85 e. Make recommendations to the Secretary for full tribal recognition based on the findings of the
86 workgroup and the board; and

87 f. Perform such other duties, functions, and activities as may be necessary to facilitate and implement the
88 objectives of this subsection.

89 D. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia
90 Indigenous People's Trust Fund, referred to in this section as "the Fund." The Fund shall be established on the
91 books of the Comptroller. All funds appropriated for such purpose, any tax revenue accruing to the Fund
92 pursuant to ~~§ 58.1-4125~~ 29.5-327, and any gifts, donations, grants, bequests, and other funds received on its
93 behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund
94 shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon,
95 at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. After payment
96 of the costs of administration of the Fund, moneys in the Fund shall be used to make disbursements on a
97 quarterly basis in equal amounts to each of the six Virginia Indian tribes federally recognized under P.L.
98 115-121 of 2018. Expenditures and disbursements from the Fund shall be made by the State Treasurer on
99 warrants issued by the Comptroller upon written request signed by the Secretary of the Commonwealth.

100 **§ 2.2-3705.3. Exclusions to application of chapter; records relating to administrative investigations.**

101 The following information contained in a public record is excluded from the mandatory disclosure
102 provisions of this chapter but may be disclosed by the custodian in his discretion, except where such
103 disclosure is prohibited by law. Redaction of information excluded under this section from a public record
104 shall be conducted in accordance with § 2.2-3704.01.

105 1. Information relating to investigations of applicants for licenses and permits, and of all licensees and
106 permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia
107 Cannabis Control Authority, the Virginia Gaming Commission, the Virginia Lottery pursuant to ~~Chapter 40~~
108 ~~(§ 58.1-4000 et seq.) and Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, the Virginia Racing Commission, the~~
109 ~~Department of Agriculture and Consumer Services relating to investigations and applications pursuant to~~
110 ~~Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2, or the Private Security Services Unit of the~~
111 Department of Criminal Justice Services.

112 2. Records of active investigations being conducted by the Virginia Cannabis Control Authority or by the
113 Department of Health Professions or any health regulatory board in the Commonwealth pursuant to §
114 54.1-108.

115 3. Investigator notes, and other correspondence and information, furnished in confidence with respect to
116 an active investigation of individual employment discrimination complaints made to the Department of
117 Human Resource Management, to such personnel of any local public body, including local school boards, as

118 are responsible for conducting such investigations in confidence, or to any public institution of higher
119 education. However, nothing in this subdivision shall prevent the disclosure of information taken from
120 inactive reports in a form that does not reveal the identity of charging parties, persons supplying the
121 information, or other individuals involved in the investigation.

122 4. Records of active investigations being conducted by the Department of Medical Assistance Services
123 pursuant to Chapter 10 (§ 32.1-323 et seq.) of Title 32.1.

124 5. Investigative notes and other correspondence and information furnished in confidence with respect to
125 an investigation or conciliation process involving an alleged unlawful discriminatory practice under the
126 Virginia Human Rights Act (§ 2.2-3900 et seq.) or under any local ordinance adopted in accordance with the
127 authority specified in § 2.2-524, or adopted pursuant to § 15.2-965, or adopted prior to July 1, 1987, in
128 accordance with applicable law, relating to local human rights or human relations commissions. However,
129 nothing in this subdivision shall prevent the distribution of information taken from inactive reports in a form
130 that does not reveal the identity of the parties involved or other persons supplying information.

131 6. Information relating to studies and investigations by the Virginia Lottery of (i) lottery agents, (ii) lottery
132 vendors, (iii) lottery crimes under §§ ~~58.1-4014 through 58.1-4018~~ *29.5-713 and 29.5-803 through 29.5-807*,
133 (iv) defects in the law or regulations that cause abuses in the administration and operation of the lottery and
134 any evasions of such provisions, or (v) the use of the lottery as a subterfuge for organized crime and illegal
135 gambling where such information has not been publicly released, published, or copyrighted. All studies and
136 investigations referred to under clauses (iii), (iv), and (v) shall be open to inspection and copying upon
137 completion of the study or investigation.

138 7. Investigative notes, correspondence and information furnished in confidence, and records otherwise
139 exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public
140 Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate authority as defined in
141 § 2.2-3010 with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower
142 Protection Act (§ 2.2-3009 et seq.); (iv) the Office of the State Inspector General with respect to an
143 investigation initiated through the Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to
144 Chapter 3.2 (§ 2.2-307 et seq.); (v) internal auditors appointed by the head of a state agency or by any public
145 institution of higher education; (vi) the committee or the auditor with respect to an investigation or audit
146 conducted pursuant to § 15.2-825; (vii) the auditors, appointed by the local governing body of any county,

147 city, or town or a school board, who by charter, ordinance, or statute have responsibility for conducting an
148 investigation of any officer, department, or program of such body; or (viii) the Behavioral Health
149 Commission. Information contained in completed investigations shall be disclosed in a form that does not
150 reveal the identity of the complainants or persons supplying information to investigators. Unless disclosure is
151 excluded by this subdivision, the information disclosed shall include the agency involved, the identity of the
152 person who is the subject of the complaint, the nature of the complaint, and the actions taken to resolve the
153 complaint. If an investigation does not lead to corrective action, the identity of the person who is the subject
154 of the complaint may be released only with the consent of the subject person. Local governing bodies shall
155 adopt guidelines to govern the disclosure required by this subdivision.

156 8. The names and personal contact information of complainants furnished in confidence with respect to an
157 investigation of individual zoning enforcement complaints or complaints relating to the Uniform Statewide
158 Building Code (§ 36-97 et seq.) or the Statewide Fire Prevention Code (§ 27-94 et seq.) made to a local
159 governing body. As used in this subdivision, "personal contact information" includes the complainant's home
160 or business (i) address, (ii) email address, or (iii) telephone number or comparable number assigned to any
161 other electronic communication device.

162 9. Records of active investigations being conducted by the Department of Criminal Justice Services
163 pursuant to Article 4 (§ 9.1-138 et seq.), Article 4.1 (§ 9.1-150.1 et seq.), Article 11 (§ 9.1-185 et seq.), and
164 Article 12 (§ 9.1-186 et seq.) of Chapter 1 of Title 9.1.

165 10. Information furnished to or prepared by the Board of Education pursuant to subsection D of §
166 22.1-253.13:3 in connection with the review or investigation of any alleged breach in security, unauthorized
167 alteration, or improper administration of tests by local school board employees responsible for the
168 distribution or administration of the tests. However, this section shall not prohibit the disclosure of such
169 information to (i) a local school board or division superintendent for the purpose of permitting such board or
170 superintendent to consider or to take personnel action with regard to an employee or (ii) any requester, after
171 the conclusion of a review or investigation, in a form that (a) does not reveal the identity of any person
172 making a complaint or supplying information to the Board on a confidential basis and (b) does not
173 compromise the security of any test mandated by the Board.

174 11. Information contained in (i) an application for licensure or renewal of a license for teachers and other
175 school personnel, including transcripts or other documents submitted in support of an application, and (ii) an

176 active investigation conducted by or for the Board of Education related to the denial, suspension,
177 cancellation, revocation, or reinstatement of teacher and other school personnel licenses including
178 investigator notes and other correspondence and information, furnished in confidence with respect to such
179 investigation. However, this subdivision shall not prohibit the disclosure of such (a) application information
180 to the applicant at his own expense or (b) investigation information to a local school board or division
181 superintendent for the purpose of permitting such board or superintendent to consider or to take personnel
182 action with regard to an employee. Information contained in completed investigations shall be disclosed in a
183 form that does not reveal the identity of any complainant or person supplying information to investigators.
184 The completed investigation information disclosed shall include information regarding the school or facility
185 involved, the identity of the person who was the subject of the complaint, the nature of the complaint, and the
186 actions taken to resolve the complaint. If an investigation fails to support a complaint or does not lead to
187 corrective action, the identity of the person who was the subject of the complaint may be released only with
188 the consent of the subject person. No personally identifiable information regarding a current or former
189 student shall be released except as permitted by state or federal law.

190 12. Information provided in confidence and related to an investigation by the Attorney General under
191 Article 1 (§ 3.2-4200 et seq.) or Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2, Article 10 (§
192 18.2-246.6 et seq.) of Chapter 6 or Chapter 13 (§ 18.2-512 et seq.) of Title 18.2, or Article 1 (§ 58.1-1000) of
193 Chapter 10 of Title 58.1. However, information related to an investigation that has been inactive for more
194 than six months shall, upon request, be disclosed provided such disclosure is not otherwise prohibited by law
195 and does not reveal the identity of charging parties, complainants, persons supplying information, witnesses,
196 or other individuals involved in the investigation.

197 13. Records of active investigations being conducted by the Department of Behavioral Health and
198 Developmental Services pursuant to Chapter 4 (§ 37.2-400 et seq.) of Title 37.2.

199 **§ 2.2-3705.6. Exclusions to application of chapter; proprietary records and trade secrets.**

200 The following information contained in a public record is excluded from the mandatory disclosure
201 provisions of this chapter but may be disclosed by the custodian in his discretion, except where such
202 disclosure is prohibited by law. Redaction of information excluded under this section from a public record
203 shall be conducted in accordance with § 2.2-3704.01.

204 1. Proprietary information gathered by or for the Virginia Port Authority as provided in § 62.1-132.4 or

205 62.1-134.1.

206 2. Financial statements not publicly available filed with applications for industrial development financings
207 in accordance with Chapter 49 (§ 15.2-4900 et seq.) of Title 15.2.

208 3. Proprietary information, voluntarily provided by private business pursuant to a promise of
209 confidentiality from a public body, used by the public body for business, trade, and tourism development or
210 retention; and memoranda, working papers, or other information related to businesses that are considering
211 locating or expanding in Virginia, prepared by a public body, where competition or bargaining is involved
212 and where disclosure of such information would adversely affect the financial interest of the public body.

213 4. Information that was filed as confidential under the Toxic Substances Information Act (§ 32.1-239 et
214 seq.), as such Act existed prior to July 1, 1992.

215 5. Fisheries data that would permit identification of any person or vessel, except when required by court
216 order as specified in § 28.2-204.

217 6. Confidential financial statements, balance sheets, trade secrets, and revenue and cost projections
218 provided to the Department of Rail and Public Transportation, provided such information is exempt under the
219 federal Freedom of Information Act or the federal Interstate Commerce Act or other laws administered by the
220 Surface Transportation Board or the Federal Railroad Administration with respect to data provided in
221 confidence to the Surface Transportation Board and the Federal Railroad Administration.

222 7. Proprietary information related to inventory and sales, voluntarily provided by private energy suppliers
223 to the Department of Energy, used by that Department for energy contingency planning purposes or for
224 developing consolidated statistical information on energy supplies.

225 8. Confidential proprietary information furnished to the Board of Medical Assistance Services or the
226 Medicaid Prior Authorization Advisory Committee pursuant to Article 4 (§ 32.1-331.12 et seq.) of Chapter
227 10 of Title 32.1.

228 9. Proprietary, commercial, or financial information, balance sheets, trade secrets, and revenue and cost
229 projections provided by a private transportation business to the Virginia Department of Transportation and
230 the Department of Rail and Public Transportation for the purpose of conducting transportation studies needed
231 to obtain grants or other financial assistance under the Transportation Equity Act for the 21st Century (P.L.
232 105-178) for transportation projects if disclosure of such information is exempt under the federal Freedom of
233 Information Act or the federal Interstate Commerce Act or other laws administered by the Surface

234 Transportation Board or the Federal Railroad Administration with respect to data provided in confidence to
235 the Surface Transportation Board and the Federal Railroad Administration. However, the exclusion provided
236 by this subdivision shall not apply to any wholly owned subsidiary of a public body.

237 10. Confidential information designated as provided in subsection F of § 2.2-4342 as trade secrets or
238 proprietary information by any person in connection with a procurement transaction or by any person who
239 has submitted to a public body an application for prequalification to bid on public construction projects in
240 accordance with subsection B of § 2.2-4317.

241 11. a. Memoranda, staff evaluations, or other information prepared by the responsible public entity, its
242 staff, outside advisors, or consultants exclusively for the evaluation and negotiation of proposals filed under
243 the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or the Public-Private Education Facilities
244 and Infrastructure Act of 2002 (§ 56-575.1 et seq.) where (i) if such information was made public prior to or
245 after the execution of an interim or a comprehensive agreement, § 33.2-1820 or 56-575.17 notwithstanding,
246 the financial interest or bargaining position of the public entity would be adversely affected and (ii) the basis
247 for the determination required in clause (i) is documented in writing by the responsible public entity; and

248 b. Information provided by a private entity to a responsible public entity, affected jurisdiction, or affected
249 local jurisdiction pursuant to the provisions of the Public-Private Transportation Act of 1995 (§ 33.2-1800 et
250 seq.) or the Public-Private Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 et seq.) if
251 disclosure of such information would reveal (i) trade secrets of the private entity; (ii) financial information of
252 the private entity, including balance sheets and financial statements, that are not generally available to the
253 public through regulatory disclosure or otherwise; or (iii) other information submitted by the private entity
254 where if such information was made public prior to the execution of an interim agreement or a
255 comprehensive agreement, the financial interest or bargaining position of the public or private entity would
256 be adversely affected. In order for the information specified in clauses (i), (ii), and (iii) to be excluded from
257 the provisions of this chapter, the private entity shall make a written request to the responsible public entity:

258 (1) Invoking such exclusion upon submission of the data or other materials for which protection from
259 disclosure is sought;

260 (2) Identifying with specificity the data or other materials for which protection is sought; and

261 (3) Stating the reasons why protection is necessary.

262 The responsible public entity shall determine whether the requested exclusion from disclosure is

263 necessary to protect the trade secrets or financial information of the private entity. To protect other
264 information submitted by the private entity from disclosure, the responsible public entity shall determine
265 whether public disclosure prior to the execution of an interim agreement or a comprehensive agreement
266 would adversely affect the financial interest or bargaining position of the public or private entity. The
267 responsible public entity shall make a written determination of the nature and scope of the protection to be
268 afforded by the responsible public entity under this subdivision. Once a written determination is made by the
269 responsible public entity, the information afforded protection under this subdivision shall continue to be
270 protected from disclosure when in the possession of any affected jurisdiction or affected local jurisdiction.

271 Except as specifically provided in subdivision 11 a, nothing in this subdivision shall be construed to
272 authorize the withholding of (a) procurement records as required by § 33.2-1820 or 56-575.17; (b)
273 information concerning the terms and conditions of any interim or comprehensive agreement, service
274 contract, lease, partnership, or any agreement of any kind entered into by the responsible public entity and the
275 private entity; (c) information concerning the terms and conditions of any financing arrangement that
276 involves the use of any public funds; or (d) information concerning the performance of any private entity
277 developing or operating a qualifying transportation facility or a qualifying project.

278 For the purposes of this subdivision, the terms "affected jurisdiction," "affected local jurisdiction,"
279 "comprehensive agreement," "interim agreement," "qualifying project," "qualifying transportation facility,"
280 "responsible public entity," and "private entity" shall mean the same as those terms are defined in the
281 Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or in the Public-Private Education Facilities
282 and Infrastructure Act of 2002 (§ 56-575.1 et seq.).

283 12. Confidential proprietary information or trade secrets, not publicly available, provided by a private
284 person or entity pursuant to a promise of confidentiality to the Virginia Resources Authority or to a fund
285 administered in connection with financial assistance rendered or to be rendered by the Virginia Resources
286 Authority where, if such information were made public, the financial interest of the private person or entity
287 would be adversely affected.

288 13. Trade secrets or confidential proprietary information that is not generally available to the public
289 through regulatory disclosure or otherwise, provided by a (i) bidder or applicant for a franchise or (ii)
290 franchisee under Chapter 21 (§ 15.2-2100 et seq.) of Title 15.2 to the applicable franchising authority
291 pursuant to a promise of confidentiality from the franchising authority, to the extent the information relates to

292 the bidder's, applicant's, or franchisee's financial capacity or provision of new services, adoption of new
293 technologies or implementation of improvements, where such new services, technologies, or improvements
294 have not been implemented by the franchisee on a nonexperimental scale in the franchise area, and where, if
295 such information were made public, the competitive advantage or financial interests of the franchisee would
296 be adversely affected.

297 In order for trade secrets or confidential proprietary information to be excluded from the provisions of this
298 chapter, the bidder, applicant, or franchisee shall (a) invoke such exclusion upon submission of the data or
299 other materials for which protection from disclosure is sought, (b) identify the data or other materials for
300 which protection is sought, and (c) state the reason why protection is necessary.

301 No bidder, applicant, or franchisee may invoke the exclusion provided by this subdivision if the bidder,
302 applicant, or franchisee is owned or controlled by a public body or if any representative of the applicable
303 franchising authority serves on the management board or as an officer of the bidder, applicant, or franchisee.

304 14. Information of a proprietary or confidential nature furnished by a supplier or manufacturer of
305 charitable gaming supplies to the ~~Department of Agriculture and Consumer Services~~ Virginia Gaming
306 Commission (i) pursuant to subsection E of § ~~18.2-340.34~~ 29.5-225 and (ii) pursuant to regulations
307 promulgated by the ~~Commissioner of Agriculture and Consumer Services~~ Virginia Gaming Commission
308 Board related to approval of electronic and mechanical equipment.

309 15. Information related to Virginia apple producer sales provided to the Virginia State Apple Board
310 pursuant to § 3.2-1215.

311 16. Trade secrets submitted by CMRS providers as defined in § 56-484.12 to the former Wireless Carrier
312 E-911 Cost Recovery Subcommittee created pursuant to former § 56-484.15, relating to the provision of
313 wireless E-911 service.

314 17. Information relating to a grant or loan application, or accompanying a grant or loan application, to the
315 Commonwealth Health Research Board pursuant to Chapter 5.3 (§ 32.1-162.23 et seq.) of Title 32.1 if
316 disclosure of such information would (i) reveal proprietary business or research-related information produced
317 or collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative,
318 scientific, technical, technological, or scholarly issues, when such information has not been publicly released,
319 published, copyrighted, or patented, and (ii) be harmful to the competitive position of the applicant.

320 18. Confidential proprietary information and trade secrets developed and held by a local public body (i)

321 providing telecommunication services pursuant to § 56-265.4:4 and (ii) providing cable television services
322 pursuant to Article 1.1 (§ 15.2-2108.2 et seq.) of Chapter 21 of Title 15.2 if disclosure of such information
323 would be harmful to the competitive position of the locality.

324 In order for confidential proprietary information or trade secrets to be excluded from the provisions of this
325 chapter, the locality in writing shall (a) invoke the protections of this subdivision, (b) identify with specificity
326 the information for which protection is sought, and (c) state the reasons why protection is necessary.
327 However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the
328 BVU Authority Act (§ 15.2-7200 et seq.).

329 19. Confidential proprietary information and trade secrets developed by or for a local authority created in
330 accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) to provide qualifying
331 communications services as authorized by Article 5.1 (§ 56-484.7:1 et seq.) of Chapter 15 of Title 56, where
332 disclosure of such information would be harmful to the competitive position of the authority, except that
333 information required to be maintained in accordance with § 15.2-2160 shall be released.

334 20. Trade secrets or financial information of a business, including balance sheets and financial statements,
335 that are not generally available to the public through regulatory disclosure or otherwise, provided to the
336 Department of Small Business and Supplier Diversity as part of an application for certification as a small,
337 women-owned, or minority-owned business in accordance with Chapter 16.1 (§ 2.2-1603 et seq.). In order for
338 such trade secrets or financial information to be excluded from the provisions of this chapter, the business
339 shall (i) invoke such exclusion upon submission of the data or other materials for which protection from
340 disclosure is sought, (ii) identify the data or other materials for which protection is sought, and (iii) state the
341 reasons why protection is necessary.

342 21. Information of a proprietary or confidential nature disclosed by a carrier to the State Health
343 Commissioner pursuant to §§ 32.1-276.5:1 and 32.1-276.7:1.

344 22. Trade secrets, including, but not limited to, financial information, including balance sheets and
345 financial statements, that are not generally available to the public through regulatory disclosure or otherwise,
346 and revenue and cost projections supplied by a private or nongovernmental entity to the State Inspector
347 General for the purpose of an audit, special investigation, or any study requested by the Office of the State
348 Inspector General in accordance with law.

349 In order for the information specified in this subdivision to be excluded from the provisions of this

350 chapter, the private or nongovernmental entity shall make a written request to the State Inspector General:

351 a. Invoking such exclusion upon submission of the data or other materials for which protection from
352 disclosure is sought;

353 b. Identifying with specificity the data or other materials for which protection is sought; and

354 c. Stating the reasons why protection is necessary.

355 The State Inspector General shall determine whether the requested exclusion from disclosure is necessary
356 to protect the trade secrets or financial information of the private entity. The State Inspector General shall
357 make a written determination of the nature and scope of the protection to be afforded by it under this
358 subdivision.

359 23. Information relating to a grant application, or accompanying a grant application, submitted to the
360 Tobacco Region Revitalization Commission that would (i) reveal (a) trade secrets, (b) financial information
361 of a grant applicant that is not a public body, including balance sheets and financial statements, that are not
362 generally available to the public through regulatory disclosure or otherwise, or (c) research-related
363 information produced or collected by the applicant in the conduct of or as a result of study or research on
364 medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not
365 been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of
366 the applicant; and memoranda, staff evaluations, or other information prepared by the Commission or its staff
367 exclusively for the evaluation of grant applications. The exclusion provided by this subdivision shall apply to
368 grants that are consistent with the powers of and in furtherance of the performance of the duties of the
369 Commission pursuant to § 3.2-3103.

370 In order for the information specified in this subdivision to be excluded from the provisions of this
371 chapter, the applicant shall make a written request to the Commission:

372 a. Invoking such exclusion upon submission of the data or other materials for which protection from
373 disclosure is sought;

374 b. Identifying with specificity the data, information or other materials for which protection is sought; and

375 c. Stating the reasons why protection is necessary.

376 The Commission shall determine whether the requested exclusion from disclosure is necessary to protect
377 the trade secrets, financial information, or research-related information of the applicant. The Commission
378 shall make a written determination of the nature and scope of the protection to be afforded by it under this

379 subdivision.

380 24. a. Information held by the Commercial Space Flight Authority relating to rate structures or charges for
381 the use of projects of, the sale of products of, or services rendered by the Authority if disclosure of such
382 information would adversely affect the financial interest or bargaining position of the Authority or a private
383 entity providing the information to the Authority; or

384 b. Information provided by a private entity to the Commercial Space Flight Authority if disclosure of such
385 information would (i) reveal (a) trade secrets of the private entity; (b) financial information of the private
386 entity, including balance sheets and financial statements, that are not generally available to the public through
387 regulatory disclosure or otherwise; or (c) other information submitted by the private entity and (ii) adversely
388 affect the financial interest or bargaining position of the Authority or private entity.

389 In order for the information specified in clauses (a), (b), and (c) of subdivision 24 b to be excluded from
390 the provisions of this chapter, the private entity shall make a written request to the Authority:

391 (1) Invoking such exclusion upon submission of the data or other materials for which protection from
392 disclosure is sought;

393 (2) Identifying with specificity the data or other materials for which protection is sought; and

394 (3) Stating the reasons why protection is necessary.

395 The Authority shall determine whether the requested exclusion from disclosure is necessary to protect the
396 trade secrets or financial information of the private entity. To protect other information submitted by the
397 private entity from disclosure, the Authority shall determine whether public disclosure would adversely affect
398 the financial interest or bargaining position of the Authority or private entity. The Authority shall make a
399 written determination of the nature and scope of the protection to be afforded by it under this subdivision.

400 25. Information of a proprietary nature furnished by an agricultural landowner or operator to the
401 Department of Conservation and Recreation, the Department of Environmental Quality, the Department of
402 Agriculture and Consumer Services, or any political subdivision, agency, or board of the Commonwealth
403 pursuant to §§ 10.1-104.7, 10.1-104.8, and 10.1-104.9, other than when required as part of a state or federal
404 regulatory enforcement action.

405 26. Trade secrets provided to the Department of Environmental Quality pursuant to the provisions of §
406 10.1-1458. In order for such trade secrets to be excluded from the provisions of this chapter, the submitting
407 party shall (i) invoke this exclusion upon submission of the data or materials for which protection from

408 disclosure is sought, (ii) identify the data or materials for which protection is sought, and (iii) state the
409 reasons why protection is necessary.

410 27. Information of a proprietary nature furnished by a licensed public-use airport to the Department of
411 Aviation for funding from programs administered by the Department of Aviation or the Virginia Aviation
412 Board, where if such information was made public, the financial interest of the public-use airport would be
413 adversely affected.

414 In order for the information specified in this subdivision to be excluded from the provisions of this
415 chapter, the public-use airport shall make a written request to the Department of Aviation:

416 a. Invoking such exclusion upon submission of the data or other materials for which protection from
417 disclosure is sought;

418 b. Identifying with specificity the data or other materials for which protection is sought; and

419 c. Stating the reasons why protection is necessary.

420 28. Information relating to a grant, loan, or investment application, or accompanying a grant, loan, or
421 investment application, submitted to the Commonwealth of Virginia Innovation Partnership Authority (the
422 Authority) established pursuant to Article 11 (§ 2.2-2351 et seq.) of Chapter 22, an advisory committee of the
423 Authority, or any other entity designated by the Authority to review such applications, to the extent that such
424 records would (i) reveal (a) trade secrets; (b) financial information of a party to a grant, loan, or investment
425 application that is not a public body, including balance sheets and financial statements, that are not generally
426 available to the public through regulatory disclosure or otherwise; or (c) research-related information
427 produced or collected by a party to the application in the conduct of or as a result of study or research on
428 medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not
429 been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of
430 a party to a grant, loan, or investment application; and memoranda, staff evaluations, or other information
431 prepared by the Authority or its staff, or a reviewing entity designated by the Authority, exclusively for the
432 evaluation of grant, loan, or investment applications, including any scoring or prioritization documents
433 prepared for and forwarded to the Authority.

434 29. Proprietary information, voluntarily provided by a private business pursuant to a promise of
435 confidentiality from a public body, used by the public body for a solar services or carbon sequestration
436 agreement, where disclosure of such information would (i) reveal (a) trade secrets of the private business; (b)

437 financial information of the private business, including balance sheets and financial statements, that are not
438 generally available to the public through regulatory disclosure or otherwise; or (c) other information
439 submitted by the private business and (ii) adversely affect the financial interest or bargaining position of the
440 public body or private business.

441 In order for the information specified in clauses (i)(a), (b), and (c) to be excluded from the provisions of
442 this chapter, the private business shall make a written request to the public body:

443 a. Invoking such exclusion upon submission of the data or other materials for which protection from
444 disclosure is sought;

445 b. Identifying with specificity the data or other materials for which protection is sought; and

446 c. Stating the reasons why protection is necessary.

447 30. Information contained in engineering and construction drawings and plans submitted for the sole
448 purpose of complying with the Building Code in obtaining a building permit if disclosure of such information
449 would identify specific trade secrets or other information that would be harmful to the competitive position of
450 the owner or lessee. However, such information shall be exempt only until the building is completed.
451 Information relating to the safety or environmental soundness of any building shall not be exempt from
452 disclosure.

453 31. Trade secrets, including, but not limited to, financial information, including balance sheets and
454 financial statements that are not generally available to the public through regulatory disclosure or otherwise,
455 and revenue and cost projections supplied by a private or nongovernmental entity to the Virginia Department
456 of Transportation for the purpose of an audit, special investigation, or any study requested by the Virginia
457 Department of Transportation in accordance with law.

458 In order for the records specified in this subdivision to be excluded from the provisions of this chapter, the
459 private or nongovernmental entity shall make a written request to the Department:

460 a. Invoking such exclusion upon submission of the data or other materials for which protection from
461 disclosure is sought;

462 b. Identifying with specificity the data or other materials for which protection is sought; and

463 c. Stating the reasons why protection is necessary.

464 The Virginia Department of Transportation shall determine whether the requested exclusion from
465 disclosure is necessary to protect trade secrets or financial records of the private entity. The Virginia

466 Department of Transportation shall make a written determination of the nature and scope of the protection to
467 be afforded by it under this subdivision.

468 32. Information related to a grant application, or accompanying a grant application, submitted to the
469 Department of Housing and Community Development that would (i) reveal (a) trade secrets, (b) financial
470 information of a grant applicant that is not a public body, including balance sheets and financial statements,
471 that are not generally available to the public through regulatory disclosure or otherwise, or (c)
472 research-related information produced or collected by the applicant in the conduct of or as a result of study or
473 research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such
474 information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the
475 competitive position of the applicant. The exclusion provided by this subdivision shall only apply to grants
476 administered by the Department, the Director of the Department, or pursuant to § 36-139, Article 26 (§
477 2.2-2484 et seq.) of Chapter 24, or the Virginia Telecommunication Initiative as authorized by the
478 appropriations act.

479 In order for the information submitted by the applicant and specified in this subdivision to be excluded
480 from the provisions of this chapter, the applicant shall make a written request to the Department:

- 481 a. Invoking such exclusion upon submission of the data or other materials for which protection from
482 disclosure is sought;
- 483 b. Identifying with specificity the data, information, or other materials for which protection is sought; and
- 484 c. Stating the reasons why protection is necessary.

485 The Department shall determine whether the requested exclusion from disclosure is necessary to protect
486 the trade secrets or confidential proprietary information of the applicant. The Department shall make a
487 written determination of the nature and scope of the protection to be afforded by it under this subdivision.

488 33. Financial and proprietary records submitted with a loan application to a locality for the preservation or
489 construction of affordable housing that is related to a competitive application to be submitted to either the
490 U.S. Department of Housing and Urban Development (HUD) or the Virginia Housing Development
491 Authority (VHDA), when the release of such records would adversely affect the bargaining or competitive
492 position of the applicant. Such records shall not be withheld after they have been made public by HUD or
493 VHDA.

494 34. Information of a proprietary or confidential nature disclosed by a health carrier or pharmacy benefits

495 manager pursuant to § 38.2-3407.15:6, a wholesale distributor pursuant to § 54.1-3436.1, or a manufacturer
496 pursuant to § 54.1-3442.02.

497 35. Trade secrets, proprietary information, or financial information, including balance sheets and financial
498 statements, that are not generally available to the public through regulatory disclosure or otherwise, supplied
499 by an individual or a private or nongovernmental entity to the Fort Monroe Authority for the purpose of
500 complying with the obligations of any lease, easement, license, permit, or other agreement, whether of a
501 commercial or residential real estate nature, pertaining to the use or occupancy of any portion of Fort
502 Monroe.

503 In order for the records specified in this subdivision to be excluded from the provisions of this chapter, the
504 individual or private or nongovernmental entity shall make a written request to the Fort Monroe Authority:

505 a. Invoking such exclusion upon submission of the data or other materials for which protection from
506 disclosure is sought;

507 b. Identifying with specificity the data, information, or other materials for which protection is sought; and

508 c. Stating the reasons why protection is necessary.

509 **§ 2.2-3705.7. Exclusions to application of chapter; records of specific public bodies and certain**
510 **other limited exclusions.**

511 The following information contained in a public record is excluded from the mandatory disclosure
512 provisions of this chapter but may be disclosed by the custodian in his discretion, except where such
513 disclosure is prohibited by law. Redaction of information excluded under this section from a public record
514 shall be conducted in accordance with § 2.2-3704.01.

515 1. State income, business, and estate tax returns, personal property tax returns, and confidential records
516 held pursuant to § 58.1-3.

517 2. Working papers and correspondence of the Office of the Governor, the Lieutenant Governor, or the
518 Attorney General; the members of the General Assembly, the Division of Legislative Services, or the Clerks
519 of the House of Delegates or the Senate of Virginia; the mayor or chief executive officer of any political
520 subdivision of the Commonwealth; or the president or other chief executive officer of any public institution
521 of higher education in the Commonwealth. However, no information that is otherwise open to inspection
522 under this chapter shall be deemed excluded by virtue of the fact that it has been attached to or incorporated
523 within any working paper or correspondence. Further, information publicly available or not otherwise subject

524 to an exclusion under this chapter or other provision of law that has been aggregated, combined, or changed
525 in format without substantive analysis or revision shall not be deemed working papers. Nothing in this
526 subdivision shall be construed to authorize the withholding of any resumes or applications submitted by
527 persons who are appointed by the Governor pursuant to § 2.2-106 or 2.2-107.

528 As used in this subdivision:

529 "Members of the General Assembly" means each member of the Senate of Virginia and the House of
530 Delegates and their legislative aides when working on behalf of such member.

531 "Office of the Governor" means the Governor; the Governor's chief of staff, counsel, director of policy,
532 and Cabinet Secretaries; the Assistant to the Governor for Intergovernmental Affairs; and those individuals to
533 whom the Governor has delegated his authority pursuant to § 2.2-104.

534 "Working papers" means those records prepared by or for a public official identified in this subdivision
535 for his personal or deliberative use.

536 3. Information contained in library records that can be used to identify (i) both (a) any library patron who
537 has borrowed or accessed material or resources from a library and (b) the material or resources such patron
538 borrowed or accessed or (ii) any library patron under 18 years of age. For the purposes of clause (ii), access
539 shall not be denied to the parent, including a noncustodial parent, or guardian of such library patron.

540 4. Contract cost estimates prepared for the confidential use of the Department of Transportation in
541 awarding contracts for construction or the purchase of goods or services, and records and automated systems
542 prepared for the Department's Bid Analysis and Monitoring Program.

543 5. Lists of registered owners of bonds issued by a political subdivision of the Commonwealth, whether the
544 lists are maintained by the political subdivision itself or by a single fiduciary designated by the political
545 subdivision.

546 6. Information furnished by a member of the General Assembly to a meeting of a standing committee,
547 special committee, or subcommittee of his house established solely for the purpose of reviewing members'
548 annual disclosure statements and supporting materials filed under § 30-110 or of formulating advisory
549 opinions to members on standards of conduct, or both.

550 7. Customer account information of a public utility affiliated with a political subdivision of the
551 Commonwealth, including the customer's name and service address, but excluding the amount of utility
552 service provided and the amount of money charged or paid for such utility service.

553 8. Personal information, as defined in § 2.2-3801, (i) filed with the Virginia Housing Development
554 Authority concerning individuals who have applied for or received loans or other housing assistance or who
555 have applied for occupancy of or have occupied housing financed, owned or otherwise assisted by the
556 Virginia Housing Development Authority; (ii) concerning persons participating in or persons on the waiting
557 list for federally funded rent-assistance programs; (iii) filed with any local redevelopment and housing
558 authority created pursuant to § 36-4 concerning persons participating in or persons on the waiting list for
559 housing assistance programs funded by local governments or by any such authority; or (iv) filed with any
560 local redevelopment and housing authority created pursuant to § 36-4 or any other local government agency
561 concerning persons who have applied for occupancy or who have occupied affordable dwelling units
562 established pursuant to § 15.2-2304 or 15.2-2305. However, access to one's own information shall not be
563 denied.

564 9. Information regarding the siting of hazardous waste facilities, except as provided in § 10.1-1441, if
565 disclosure of such information would have a detrimental effect upon the negotiating position of a governing
566 body or on the establishment of the terms, conditions, and provisions of the siting agreement.

567 10. Information on the site-specific location of rare, threatened, endangered, or otherwise imperiled plant
568 and animal species, natural communities, caves, and significant historic and archaeological sites if, in the
569 opinion of the public body that has the responsibility for such information, disclosure of the information
570 would jeopardize the continued existence or the integrity of the resource. This exclusion shall not apply to
571 requests from the owner of the land upon which the resource is located.

572 11. Memoranda, graphics, video or audio tapes, production models, data, and information of a proprietary
573 nature produced by or for or collected by or for the Virginia Lottery relating to matters of a specific lottery
574 game design, development, production, operation, ticket price, prize structure, manner of selecting the
575 winning ticket, manner of payment of prizes to holders of winning tickets, frequency of drawings or
576 selections of winning tickets, odds of winning, advertising, or marketing, where such information not been
577 publicly released, published, copyrighted, or patented. Whether released, published, or copyrighted, all game-
578 related information shall be subject to public disclosure under this chapter upon the first day of sales for the
579 specific lottery game to which it pertains.

580 12. Information held by the Virginia Retirement System, acting pursuant to § 51.1-124.30, or a local
581 retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust

582 established by one or more local public bodies to invest funds for post-retirement benefits other than
583 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
584 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the board of visitors of The
585 College of William and Mary in Virginia, acting pursuant to § 23.1-2803, or by the Commonwealth Savers
586 Plan, acting pursuant to § 23.1-704, relating to the acquisition, holding, or disposition of a security or other
587 ownership interest in an entity, where such security or ownership interest is not traded on a governmentally
588 regulated securities exchange, if disclosure of such information would (i) reveal confidential analyses
589 prepared for the board of visitors of the University of Virginia, prepared for the board of visitors of The
590 College of William and Mary in Virginia, prepared by the retirement system, a local finance board or board
591 of trustees, or the Commonwealth Savers Plan, or provided to the retirement system, a local finance board or
592 board of trustees, or the Commonwealth Savers Plan under a promise of confidentiality of the future value of
593 such ownership interest or the future financial performance of the entity and (ii) have an adverse effect on the
594 value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or
595 board of trustees, the board of visitors of the University of Virginia, the board of visitors of The College of
596 William and Mary in Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be
597 construed to prevent the disclosure of information relating to the identity of any investment held, the amount
598 invested, or the present value of such investment.

599 13. Financial, medical, rehabilitative, and other personal information concerning applicants for or
600 recipients of loan funds submitted to or maintained by the Assistive Technology Loan Fund Authority under
601 Chapter 11 (§ 51.5-53 et seq.) of Title 51.5.

602 14. Information held by the Virginia Commonwealth University Health System Authority pertaining to
603 any of the following: an individual's qualifications for or continued membership on its medical or teaching
604 staffs; proprietary information gathered by or in the possession of the Authority from third parties pursuant to
605 a promise of confidentiality; contract cost estimates prepared for confidential use in awarding contracts for
606 construction or the purchase of goods or services; information of a proprietary nature produced or collected
607 by or for the Authority or members of its medical or teaching staffs; financial statements not publicly
608 available that may be filed with the Authority from third parties; the identity, accounts, or account status of
609 any customer of the Authority; consulting or other reports paid for by the Authority to assist the Authority in
610 connection with its strategic planning and goals; the determination of marketing and operational strategies

611 where disclosure of such strategies would be harmful to the competitive position of the Authority; and
612 information of a proprietary nature produced or collected by or for employees of the Authority, other than the
613 Authority's financial or administrative records, in the conduct of or as a result of study or research on
614 medical, scientific, technical, or scholarly issues, whether sponsored by the Authority alone or in conjunction
615 with a governmental body or a private concern, when such information has not been publicly released,
616 published, copyrighted, or patented. This exclusion shall also apply when such information is in the
617 possession of Virginia Commonwealth University.

618 15. Information held by the Department of Environmental Quality, the State Water Control Board, the
619 State Air Pollution Control Board, or the Virginia Waste Management Board relating to (i) active federal
620 environmental enforcement actions that are considered confidential under federal law and (ii) enforcement
621 strategies, including proposed sanctions for enforcement actions. Upon request, such information shall be
622 disclosed after a proposed sanction resulting from the investigation has been proposed to the director of the
623 agency. This subdivision shall not be construed to prevent the disclosure of information related to inspection
624 reports, notices of violation, and documents detailing the nature of any environmental contamination that may
625 have occurred or similar documents.

626 16. Information related to the operation of toll facilities that identifies an individual, vehicle, or travel
627 itinerary, including vehicle identification data or vehicle enforcement system information; video or
628 photographic images; Social Security or other identification numbers appearing on driver's licenses; credit
629 card or bank account data; home addresses; phone numbers; or records of the date or time of toll facility use.

630 17. Information held by the Virginia Lottery pertaining to (i) the social security number, tax identification
631 number, state sales tax number, home address and telephone number, personal and lottery banking account
632 and transit numbers of a retailer, and financial information regarding the nonlottery operations of specific
633 retail locations and (ii) individual lottery winners, except that a winner's name, hometown, and amount won
634 shall be disclosed. If the value of the prize won by the winner exceeds \$10 million, the information described
635 in clause (ii) shall not be disclosed unless the winner consents in writing to such disclosure.

636 18. Information held by the Board for Branch Pilots relating to the chemical or drug testing of a person
637 regulated by the Board, where such person has tested negative or has not been the subject of a disciplinary
638 action by the Board for a positive test result.

639 19. Information pertaining to the planning, scheduling, and performance of examinations of holder records

640 pursuant to the Virginia Disposition of Unclaimed Property Act (§ 55.1-2500 et seq.) prepared by or for the
641 State Treasurer or his agents or employees or persons employed to perform an audit or examination of holder
642 records.

643 20. Information held by the Virginia Department of Emergency Management or a local governing body
644 relating to citizen emergency response teams established pursuant to an ordinance of a local governing body
645 that reveal the name, address, including e-mail address, telephone or pager numbers, or operating schedule of
646 an individual participant in the program.

647 21. Information held by state or local park and recreation departments and local and regional park
648 authorities concerning identifiable individuals under the age of 18 years. However, nothing in this
649 subdivision shall operate to prevent the disclosure of information defined as directory information under
650 regulations implementing the federal Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, unless
651 the public body has undertaken the parental notification and opt-out requirements provided by such
652 regulations. Access shall not be denied to the parent, including a noncustodial parent, or guardian of such
653 person, unless the parent's parental rights have been terminated or a court of competent jurisdiction has
654 restricted or denied such access. For such information of persons who are emancipated, the right of access
655 may be asserted by the subject thereof. Any parent or emancipated person who is the subject of the
656 information may waive, in writing, the protections afforded by this subdivision. If the protections are so
657 waived, the public body shall open such information for inspection and copying.

658 22. Information submitted for inclusion in the Statewide Alert Network administered by the Department
659 of Emergency Management that reveal names, physical addresses, email addresses, computer or internet
660 protocol information, telephone numbers, pager numbers, other wireless or portable communications device
661 information, or operating schedules of individuals or agencies, where the release of such information would
662 compromise the security of the Statewide Alert Network or individuals participating in the Statewide Alert
663 Network.

664 23. Information held by the Judicial Inquiry and Review Commission made confidential by § 17.1-913.

665 24. Information held by the Virginia Retirement System acting pursuant to § 51.1-124.30, a local
666 retirement system acting pursuant to § 51.1-803 (hereinafter collectively referred to as the retirement system),
667 or the Commonwealth Savers Plan, acting pursuant to § 23.1-704 relating to:

668 a. Internal deliberations of or decisions by the retirement system or the Commonwealth Savers Plan on the

669 pursuit of particular investment strategies, or the selection or termination of investment managers, prior to the
670 execution of such investment strategies or the selection or termination of such managers, if disclosure of such
671 information would have an adverse impact on the financial interest of the retirement system or the
672 Commonwealth Savers Plan; and

673 b. Trade secrets provided by a private entity to the retirement system or the Commonwealth Savers Plan if
674 disclosure of such records would have an adverse impact on the financial interest of the retirement system or
675 the Commonwealth Savers Plan.

676 For the records specified in subdivision b to be excluded from the provisions of this chapter, the entity
677 shall make a written request to the retirement system or the Commonwealth Savers Plan:

678 (1) Invoking such exclusion prior to or upon submission of the data or other materials for which
679 protection from disclosure is sought;

680 (2) Identifying with specificity the data or other materials for which protection is sought; and

681 (3) Stating the reasons why protection is necessary.

682 The retirement system or the Commonwealth Savers Plan shall determine whether the requested exclusion
683 from disclosure meets the requirements set forth in subdivision b.

684 Nothing in this subdivision shall be construed to prevent the disclosure of the identity or amount of any
685 investment held or the present value and performance of all asset classes and subclasses.

686 25. Information held by the Department of Corrections made confidential by former § 53.1-233.

687 26. Information maintained by the Department of the Treasury or participants in the Local Government
688 Investment Pool (§ 2.2-4600 et seq.) and required to be provided by such participants to the Department to
689 establish accounts in accordance with § 2.2-4602.

690 27. Personal information, as defined in § 2.2-3801, contained in the Veterans Care Center Resident Trust
691 Funds concerning residents or patients of the Department of Veterans Services Care Centers, except that
692 access shall not be denied to the person who is the subject of the information.

693 28. Information maintained in connection with fundraising activities by the Veterans Services Foundation
694 pursuant to § 2.2-2716 that reveal the address, electronic mail address, facsimile or telephone number, social
695 security number or other identification number appearing on a driver's license or other document issued under
696 Chapter 3 (§ 46.2-300 et seq.) of Title 46.2 or the comparable law of another jurisdiction, or credit card or
697 bank account data of identifiable donors, except that access shall not be denied to the person who is the

698 subject of the information. Nothing in this subdivision, however, shall be construed to prevent the disclosure
699 of information relating to the amount, date, purpose, and terms of the pledge or donation or the identity of the
700 donor, unless the donor has requested anonymity in connection with or as a condition of making a pledge or
701 donation. The exclusion provided by this subdivision shall not apply to protect from disclosure (i) the
702 identities of sponsors providing grants to or contracting with the foundation for the performance of services
703 or other work or (ii) the terms and conditions of such grants or contracts.

704 29. Information prepared for and utilized by the Commonwealth's Attorneys' Services Council in the
705 training of state prosecutors or law-enforcement personnel, where such information is not otherwise available
706 to the public and the disclosure of such information would reveal confidential strategies, methods, or
707 procedures to be employed in law-enforcement activities or materials created for the investigation and
708 prosecution of a criminal case.

709 30. Information provided to the Department of Aviation by other entities of the Commonwealth in
710 connection with the operation of aircraft where the information would not be subject to disclosure by the
711 entity providing the information. The entity providing the information to the Department of Aviation shall
712 identify the specific information to be protected and the applicable provision of this chapter that excludes the
713 information from mandatory disclosure.

714 31. Information created or maintained by or on the behalf of the judicial performance evaluation program
715 related to an evaluation of any individual justice or judge made confidential by § 17.1-100.

716 32. Information reflecting the substance of meetings in which (i) individual sexual assault cases are
717 discussed by any sexual assault response team established pursuant to § 15.2-1627.4, (ii) individual child
718 abuse or neglect cases or sex offenses involving a child are discussed by multidisciplinary child sexual abuse
719 response teams established pursuant to § 15.2-1627.5, (iii) individual cases of abuse, neglect, or exploitation
720 of adults as defined in § 63.2-1603 are discussed by multidisciplinary teams established pursuant to §§
721 15.2-1627.5 and 63.2-1605, or (iv) individual human trafficking cases are discussed by any human trafficking
722 response team established pursuant to § 15.2-1627.6. The findings of any such team may be disclosed or
723 published in statistical or other aggregated form that does not disclose the identity of specific individuals.

724 33. Information contained in the strategic plan, marketing plan, or operational plan prepared by the
725 Virginia Economic Development Partnership Authority pursuant to § 2.2-2237.1 regarding target companies,
726 specific allocation of resources and staff for marketing activities, and specific marketing activities that would

727 reveal to the Commonwealth's competitors for economic development projects the strategies intended to be
728 deployed by the Commonwealth, thereby adversely affecting the financial interest of the Commonwealth.
729 The executive summaries of the strategic plan, marketing plan, and operational plan shall not be redacted or
730 withheld pursuant to this subdivision.

731 34. Information discussed in a closed session of the Physical Therapy Compact Commission or the
732 Executive Board or other committees of the Commission for purposes set forth in subsection E of §
733 54.1-3491.

734 35. Information held by the Commonwealth of Virginia Innovation Partnership Authority (the Authority),
735 an advisory committee of the Authority, or any other entity designated by the Authority, relating to (i)
736 internal deliberations of or decisions by the Authority on the pursuit of particular investment strategies prior
737 to the execution of such investment strategies and (ii) trade secrets, as defined in the Uniform Trade Secrets
738 Act (§ 59.1-336 et seq.), provided by a private entity to the Authority, if such disclosure of records pursuant
739 to clause (i) or (ii) would have an adverse impact on the financial interest of the Authority or a private entity.

740 36. Personal information provided to or obtained by the Virginia ~~Lottery~~ *Gaming Commission* in
741 connection with the voluntary exclusion program administered pursuant to § ~~58.1-4015.1~~ *29.5-118*.

742 37. Personal information provided to or obtained by the Virginia ~~Lottery~~ *Gaming Commission* concerning
743 the identity of any person reporting prohibited conduct pursuant to § ~~58.1-4043~~ *29.5-414*.

744 **§ 2.2-3711. Closed meetings authorized for certain limited purposes.**

745 A. Public bodies may hold closed meetings only for the following purposes:

746 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,
747 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public
748 officers, appointees, or employees of any public body; and evaluation of performance of departments or
749 schools of public institutions of higher education where such evaluation will necessarily involve discussion of
750 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting
751 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some
752 student and the student involved in the matter is present, provided the teacher makes a written request to be
753 present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be
754 construed to authorize a closed meeting by a local governing body or an elected school board to discuss
755 compensation matters that affect the membership of such body or board collectively.

756 2. Discussion or consideration of admission or disciplinary matters or any other matters that would
757 involve the disclosure of information contained in a scholastic record concerning any student of any public
758 institution of higher education in the Commonwealth or any state school system. However, any such student,
759 legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be
760 present during the taking of testimony or presentation of evidence at a closed meeting, if such student,
761 parents, or guardians so request in writing and such request is submitted to the presiding officer of the
762 appropriate board.

763 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition
764 of publicly held real property, where discussion in an open meeting would adversely affect the bargaining
765 position or negotiating strategy of the public body.

766 4. The protection of the privacy of individuals in personal matters not related to public business.

767 5. Discussion concerning a prospective business or industry or the expansion of an existing business or
768 industry where no previous announcement has been made of the business' or industry's interest in locating or
769 expanding its facilities in the community.

770 6. Discussion or consideration of the investment of public funds where competition or bargaining is
771 involved, where, if made public initially, the financial interest of the governmental unit would be adversely
772 affected.

773 7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or
774 probable litigation, where such consultation or briefing in open meeting would adversely affect the
775 negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation"
776 means litigation that has been specifically threatened or on which the public body or its legal counsel has a
777 reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall
778 be construed to permit the closure of a meeting merely because an attorney representing the public body is in
779 attendance or is consulted on a matter.

780 8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters
781 requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to
782 permit the closure of a meeting merely because an attorney representing the public body is in attendance or is
783 consulted on a matter.

784 9. Discussion or consideration by governing boards of public institutions of higher education of matters

785 relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be
786 performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and
787 contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public
788 institution of higher education in the Commonwealth shall be subject to public disclosure upon written
789 request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"
790 means any government other than the United States government or the government of a state or a political
791 subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United
792 States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by
793 foreign governments or foreign persons or if a majority of the membership of any such entity is composed of
794 foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)
795 "foreign person" means any individual who is not a citizen or national of the United States or a trust territory
796 or protectorate thereof.

797 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the
798 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and
799 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private
800 sources.

801 11. Discussion or consideration of honorary degrees or special awards.

802 12. Discussion or consideration of tests, examinations, or other information used, administered, or
803 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

804 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible
805 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed
806 by the member, provided the member may request in writing that the committee meeting not be conducted in
807 a closed meeting.

808 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to
809 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in
810 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the
811 governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both.
812 All discussions with the applicant or its representatives may be conducted in a closed meeting.

813 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic

814 activity and estimating general and nongeneral fund revenues.

815 16. Discussion or consideration of medical and mental health records subject to the exclusion in
816 subdivision 1 of § 2.2-3705.5.

817 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to
818 subsection D of § ~~58.1-4007~~ 29.5-707 regarding the denial or revocation of a license of a lottery sales agent;
819 and discussion, consideration, or review of Virginia Lottery matters related to proprietary lottery game
820 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and
821 subdivision 11 of § 2.2-3705.7.

822 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses
823 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or
824 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension
825 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary
826 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

827 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity
828 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency
829 service officials concerning actions taken to respond to such matters or a related threat to public safety;
830 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in
831 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,
832 information technology system, or software program; or discussion of reports or plans related to the security
833 of any governmental facility, building or structure, or the safety of persons using such facility, building or
834 structure.

835 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of
836 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of
837 a trust established by one or more local public bodies to invest funds for postemployment benefits other than
838 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
839 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth
840 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or
841 other ownership interest in an entity, where such security or ownership interest is not traded on a
842 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential

843 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or
844 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement
845 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of
846 confidentiality, of the future value of such ownership interest or the future financial performance of the
847 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed
848 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University
849 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the
850 disclosure of information relating to the identity of any investment held, the amount invested or the present
851 value of such investment.

852 21. Those portions of meetings in which individual child death cases are discussed by the State Child
853 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual
854 child death cases are discussed by a regional or local child fatality review team established pursuant to §
855 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence
856 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual
857 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,
858 those portions of meetings in which individual adult death cases are discussed by a local or regional adult
859 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual
860 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those
861 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality
862 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of
863 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review
864 Committee established pursuant to § 37.2-314.1.

865 22. Those portions of meetings of the board of visitors of the University of Virginia or the Eastern
866 Virginia Medical School Board of Visitors, as the case may be, and those portions of meetings of any persons
867 to whom management responsibilities for the University of Virginia Medical Center or Eastern Virginia
868 Medical School, as the case may be, have been delegated, in which there is discussed proprietary, business-
869 related information pertaining to the operations of the University of Virginia Medical Center or Eastern
870 Virginia Medical School, as the case may be, including business development or marketing strategies and
871 activities with existing or future joint venturers, partners, or other parties with whom the University of

872 Virginia Medical Center or Eastern Virginia Medical School, as the case may be, has formed, or forms, any
873 arrangement for the delivery of health care, if disclosure of such information would adversely affect the
874 competitive position of the Medical Center or Eastern Virginia Medical School, as the case may be.

875 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or
876 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or
877 disposition by the Authority of real property, equipment, or technology software or hardware and related
878 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of
879 the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and
880 contracts for services or work to be performed by the Authority; marketing or operational strategies plans of
881 the Authority where disclosure of such strategies or plans would adversely affect the competitive position of
882 the Authority; and members of the Authority's medical and teaching staffs and qualifications for
883 appointments thereto.

884 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the
885 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who
886 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

887 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal
888 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf
889 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or
890 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

891 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee
892 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in §
893 56-484.12, related to the provision of wireless E-911 service.

894 27. Those portions of disciplinary proceedings by any regulatory board within the Department of
895 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy
896 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or
897 meetings of health regulatory boards or conference committees of such boards to consider settlement
898 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by
899 either of the parties.

900 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6

901 by a responsible public entity or an affected locality or public entity, as those terms are defined in §
902 33.2-1800, or any independent review panel appointed to review information and advise the responsible
903 public entity concerning such records.

904 29. Discussion of the award of a public contract involving the expenditure of public funds, including
905 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in
906 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

907 30. Discussion or consideration of grant or loan application information subject to the exclusion in
908 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

909 31. Discussion or consideration by the Commitment Review Committee of information subject to the
910 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent
911 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

912 32. Discussion or consideration of confidential proprietary information and trade secrets developed and
913 held by a local public body providing certain telecommunication services or cable television services and
914 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this
915 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

916 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless
917 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets
918 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

919 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security
920 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

921 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee
922 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

923 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of
924 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings
925 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider
926 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover
927 scholarship awards.

928 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in
929 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port

930 Authority.

931 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
932 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by
933 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan
934 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee
935 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

936 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6
937 related to economic development.

938 40. Discussion or consideration by the Board of Education of information relating to the denial,
939 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

940 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
941 executive order for the purpose of studying and making recommendations regarding preventing closure or
942 realignment of federal military and national security installations and facilities located in Virginia and
943 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
944 local governing body, during which there is discussion of information subject to the exclusion in subdivision
945 8 of § 2.2-3705.2.

946 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of
947 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable
948 information of donors.

949 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of
950 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained
951 in grant applications.

952 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of
953 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for
954 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary
955 information of a private entity provided to the Authority.

956 45. Discussion or consideration of personal and proprietary information related to the resource
957 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection
958 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain

959 information that has been certified for release by the person who is the subject of the information or
960 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,
961 or is the subject of, the information.

962 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control
963 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of
964 applicants for licenses and permits and of licensees and permittees.

965 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion
966 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)
967 of Chapter 22.

968 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26
969 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity
970 Board.

971 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team
972 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a
973 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases
974 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and
975 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established
976 pursuant to § 15.2-1627.6.

977 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
978 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions
979 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33
980 of § 2.2-3705.7.

981 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development
982 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information
983 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the
984 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

985 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the
986 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of
987 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

988 53. Deliberations of the Virginia ~~Lottery~~ Gaming Commission Board conducted pursuant to § ~~58.1-4105~~
989 29.5-305 regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue,
990 suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration,
991 or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of §
992 2.2-3705.3.

993 54. Deliberations of the Virginia ~~Lottery~~ Gaming Commission Board in an appeal conducted pursuant to §
994 ~~58.1-4007~~ 29.5-104 regarding the denial of, revocation of, suspension of, or refusal to renew any license or
995 permit related to sports betting and any discussion, consideration, or review of matters related to
996 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

997 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of
998 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

999 B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed
1000 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting
1001 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that
1002 shall have its substance reasonably identified in the open meeting.

1003 C. Public officers improperly selected due to the failure of the public body to comply with the other
1004 provisions of this section shall be de facto officers and, as such, their official actions are valid until they
1005 obtain notice of the legal defect in their election.

1006 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more
1007 public bodies, or their representatives, but these conferences shall be subject to the same procedures for
1008 holding closed meetings as are applicable to any other public body.

1009 E. This section shall not be construed to (i) require the disclosure of any contract between the Department
1010 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)
1011 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial
1012 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial
1013 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.
1014 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the
1015 actual date of the board's authorization of the sale or issuance of such bonds.

1016 § 2.2-3802. Systems to which chapter inapplicable.

1017 The provisions of this chapter shall not apply to personal information systems:

1018 1. Maintained by any court of the Commonwealth;

1019 2. Which may exist in publications of general circulation;

1020 3. Contained in the Criminal Justice Information System as defined in §§ 9.1-126 through 9.1-137 or in
1021 the Sex Offender and Crimes Against Minors Registry maintained by the Department of State Police pursuant
1022 to Chapter 9 (§ 9.1-900 et seq.) of Title 9.1, except to the extent that information is required to be posted on
1023 the Internet pursuant to § 9.1-913;

1024 4. Contained in the Virginia Juvenile Justice Information System as defined in §§ 16.1-222 through
1025 16.1-225;

1026 5. Maintained by agencies concerning persons required by law to be licensed in the Commonwealth to
1027 engage in the practice of any profession, in which case the names and addresses of persons applying for or
1028 possessing the license may be disseminated upon written request to a person engaged in the profession or
1029 business of offering professional educational materials or courses for the sole purpose of providing the
1030 licensees or applicants for licenses with informational materials relating solely to available professional
1031 educational materials or courses, provided the disseminating agency is reasonably assured that the use of the
1032 information will be so limited;

1033 6. Maintained by the Parole Board, the Crime Commission, the Judicial Inquiry and Review Commission,
1034 the Virginia ~~Racing~~ Gaming Commission, the Virginia Criminal Sentencing Commission, and the Virginia
1035 Alcoholic Beverage Control Authority;

1036 7. Maintained by any of the following and that deal with investigations and intelligence gathering related
1037 to criminal activity:

1038 a. The Department of State Police;

1039 b. The police department of the Chesapeake Bay Bridge and Tunnel Commission;

1040 c. Police departments of cities, counties, and towns;

1041 d. Sheriff's departments of counties and cities;

1042 e. Campus police departments of public institutions of higher education as established by Article 3 (§
1043 23.1-809 et seq.) of Chapter 8 of Title 23.1; and

1044 f. The Division of Capitol Police.

1045 8. Maintained by local departments of social services regarding alleged cases of child abuse or neglect

1046 while such cases are also subject to an ongoing criminal prosecution;

1047 9. Maintained by the Virginia Port Authority as provided in § 62.1-132.4 or 62.1-134.1;

1048 10. Maintained by the Virginia Tourism Authority in connection with or as a result of the promotion of
1049 travel or tourism in the Commonwealth, in which case names and addresses of persons requesting
1050 information on those subjects may be disseminated upon written request to a person engaged in the business
1051 of providing travel services or distributing travel information, provided the Virginia Tourism Authority is
1052 reasonably assured that the use of the information will be so limited;

1053 11. Maintained by the Division of Consolidated Laboratory Services of the Department of General
1054 Services and the Department of Forensic Science, which deal with scientific investigations relating to
1055 criminal activity or suspected criminal activity, except to the extent that § 9.1-1104 may apply;

1056 12. Maintained by the Department of Corrections or the Office of the State Inspector General that deal
1057 with investigations and intelligence gathering by persons acting under the provisions of Chapter 3.2 (§
1058 2.2-307 et seq.);

1059 13. Maintained by (i) the Office of the State Inspector General or internal audit departments of state
1060 agencies or institutions that deal with communications and investigations relating to the Fraud, Waste and
1061 Abuse Hotline or (ii) an auditor appointed by the local governing body of any county, city, or town or a
1062 school board that deals with local investigations required by § 15.2-2511.2;

1063 14. Maintained by the Department of Social Services or any local department of social services relating to
1064 public assistance fraud investigations;

1065 15. Maintained by the Department of Social Services related to child welfare or public assistance
1066 programs when requests for personal information are made to the Department of Social Services. Requests
1067 for information from these systems shall be made to the appropriate local department of social services that is
1068 the custodian of that record. Notwithstanding the language in this section, an individual shall not be
1069 prohibited from obtaining information from the central registry in accordance with the provisions of §
1070 63.2-1515; and

1071 16. Maintained by the Department for Aging and Rehabilitative Services related to adult services, adult
1072 protective services, or auxiliary grants when requests for personal information are made to the Department for
1073 Aging and Rehabilitative Services. Requests for information from these systems shall be made to the
1074 appropriate local department of social services that is the custodian of that record.

1075 § 2.2-4002. Exemptions from chapter generally.

1076 A. Although required to comply with § 2.2-4103 of the Virginia Register Act (§ 2.2-4100 et seq.), the
1077 following agencies shall be exempted from the provisions of this chapter, except to the extent that they are
1078 specifically made subject to §§ 2.2-4024, 2.2-4030, and 2.2-4031:

1079 1. The General Assembly.

1080 2. Courts, any agency of the Supreme Court, and any agency that by the Constitution is expressly granted
1081 any of the powers of a court of record.

1082 3. The Department of Wildlife Resources in promulgating regulations regarding the management of
1083 wildlife and for all case decisions rendered pursuant to any provisions of Chapters 2 (§ 29.1-200 et seq.), 3 (§
1084 29.1-300 et seq.), 4 (§ 29.1-400 et seq.), 5 (§ 29.1-500 et seq.), and 7 (§ 29.1-700 et seq.) of Title 29.1.

1085 4. The Virginia Housing Development Authority.

1086 5. Municipal corporations, counties, and all local, regional, or multijurisdictional authorities created under
1087 this Code, including those with federal authorities.

1088 6. Educational institutions operated by the Commonwealth, provided that, with respect to § 2.2-4031, such
1089 educational institutions shall be exempt from the publication requirements only with respect to regulations
1090 that pertain to (i) their academic affairs, (ii) the selection, tenure, promotion, and disciplining of faculty and
1091 employees, (iii) the selection of students, and (iv) rules of conduct and disciplining of students.

1092 7. The Milk Commission in promulgating regulations regarding (i) producers' licenses and bases, (ii)
1093 classification and allocation of milk, computation of sales, and shrinkage, and (iii) class prices for producers'
1094 milk, time and method of payment, butterfat testing, and differential.

1095 8. The Virginia Resources Authority.

1096 9. Agencies expressly exempted by any other provision of this Code.

1097 10. The Department of General Services in promulgating standards for the inspection of buildings for
1098 asbestos pursuant to § 2.2-1164.

1099 11. The State Council of Higher Education for Virginia, in developing, issuing, and revising guidelines
1100 pursuant to § 23.1-207.

1101 12. The Commissioner of Agriculture and Consumer Services in adopting regulations pursuant to
1102 subsection B of § 3.2-6002 and in adopting regulations pursuant to § 3.2-6023.

1103 13. The Commissioner of Agriculture and Consumer Services and the Board of Agriculture and Consumer

1104 Services in promulgating regulations pursuant to subsections B and D of § 3.2-3601, subsection B of §
1105 3.2-3701, § 3.2-4002, subsections B and D of § 3.2-4801, §§ 3.2-5121 and 3.2-5206, and subsection A of §
1106 3.2-5406.

1107 14. The Board of Optometry when specifying therapeutic pharmaceutical agents, treatment guidelines,
1108 and diseases and abnormal conditions of the human eye and its adnexa for TPA-certification of optometrists
1109 pursuant to Article 5 (§ 54.1-3222 et seq.) of Chapter 32 of Title 54.1.

1110 15. The Commissioner of the Department of Veterans Services in adopting regulations pursuant to §
1111 2.2-2001.3.

1112 16. The State Board of Education, in developing, issuing, and revising guidelines pursuant to § 22.1-203.2
1113 .

1114 17. The Virginia ~~Racing~~ Gaming Commission, (i) when acting by and through its duly appointed stewards
1115 or in matters related to any specific race meeting or (ii) in promulgating technical rules regulating actual live
1116 horse racing at race meetings licensed by the Commission.

1117 18. The Virginia Small Business Financing Authority.

1118 19. The Virginia Economic Development Partnership Authority.

1119 20. The Board of Agriculture and Consumer Services in adopting, amending, or repealing regulations
1120 pursuant to subsection A (ii) of § 59.1-156.

1121 21. The Insurance Continuing Education Board pursuant to § 38.2-1867.

1122 22. The Board of Health in promulgating the list of diseases that shall be reported to the Department of
1123 Health pursuant to § 32.1-35 and in adopting, amending, or repealing regulations pursuant to subsection C of
1124 § 35.1-14 that incorporate the Food and Drug Administration's Food Code pertaining to restaurants or food
1125 service.

1126 23. The Board of Pharmacy when specifying special subject requirements for continuing education for
1127 pharmacists pursuant to § 54.1-3314.1.

1128 24. The Virginia Department of Veterans Services when promulgating rules and regulations pursuant to §
1129 58.1-3219.7 or 58.1-3219.11.

1130 25. The Virginia Department of Criminal Justice Services when developing, issuing, or revising any
1131 training standards established by the Criminal Justice Services Board under § 9.1-102, provided such actions
1132 are authorized by the Governor in the interest of public safety.

- 1133** B. Agency action relating to the following subjects shall be exempted from the provisions of this chapter:
- 1134** 1. Money or damage claims against the Commonwealth or agencies thereof.
- 1135** 2. The award or denial of state contracts, as well as decisions regarding compliance therewith.
- 1136** 3. The location, design, specifications, or construction of public buildings or other facilities.
- 1137** 4. Grants of state or federal funds or property.
- 1138** 5. The chartering of corporations.
- 1139** 6. Customary military, militia, naval, or police functions.
- 1140** 7. The selection, tenure, dismissal, direction, or control of any officer or employee of an agency of the
- 1141** Commonwealth.
- 1142** 8. The conduct of elections or eligibility to vote.
- 1143** 9. Inmates of prisons or other such facilities or parolees therefrom.
- 1144** 10. The custody of persons in, or sought to be placed in, mental health facilities or penal or other state
- 1145** institutions as well as the treatment, supervision, or discharge of such persons.
- 1146** 11. Traffic signs, markers, or control devices.
- 1147** 12. Instructions for application or renewal of a license, certificate, or registration required by law.
- 1148** 13. Content of, or rules for the conduct of, any examination required by law.
- 1149** 14. The administration of pools authorized by Chapter 47 (§ 2.2-4700 et seq.).
- 1150** 15. Any rules for the conduct of specific lottery games, so long as such rules are not inconsistent with
- 1151** duly adopted regulations of the Virginia Lottery Board, and provided that such regulations are published and
- 1152** posted.
- 1153** 16. Orders condemning or closing any shellfish, finfish, or crustacea growing area and the shellfish,
- 1154** finfish, or crustacea located thereon pursuant to Article 2 (§ 28.2-803 et seq.) of Chapter 8 of Title 28.2.
- 1155** 17. Any operating procedures for review of child deaths developed by the State Child Fatality Review
- 1156** Team pursuant to § 32.1-283.1, any operating procedures for review of adult deaths developed by the Adult
- 1157** Fatality Review Team pursuant to § 32.1-283.5, any operating procedures for review of adult deaths
- 1158** developed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and any operating procedures
- 1159** for review of the deaths of persons with a developmental disability developed by the Developmental
- 1160** Disabilities Mortality Review Committee pursuant to § 37.2-314.1.
- 1161** 18. The regulations for the implementation of the Health Practitioners' Monitoring Program and the

1162 activities of the Health Practitioners' Monitoring Program Committee pursuant to Chapter 25.1 (§ 54.1-2515
1163 et seq.) of Title 54.1.

1164 19. The process of reviewing and ranking grant applications submitted to the Commonwealth
1165 Neurotrauma Initiative Advisory Board pursuant to Article 12 (§ 51.5-178 et seq.) of Chapter 14 of Title
1166 51.5.

1167 20. Loans from the Small Business Environmental Compliance Assistance Fund pursuant to Article 4 (§
1168 10.1-1197.1 et seq.) of Chapter 11.1 of Title 10.1.

1169 21. The Virginia Breeders Fund created pursuant to § ~~59.1-372~~ 29.5-611.

1170 22. The types of pari-mutuel wagering pools available for live or simulcast horse racing.

1171 23. The administration of medication or other substances foreign to the natural horse.

1172 24. Any rules adopted by the ~~Department of Agriculture and Consumer Services~~ Virginia Gaming
1173 Commission for the approval and conduct of game variations for the conduct of raffles, bingo, network bingo,
1174 and instant bingo games, provided that such rules are (i) consistent with ~~Article 1-1:1 (§ 18.2-340.15 et seq.)~~
1175 ~~of Chapter 8 2 (§ 29.5-200 et seq.)~~ of Title ~~18.2~~ 29.5 and (ii) published and posted.

1176 C. Minor changes to regulations published in the Virginia Administrative Code under the Virginia
1177 Register Act (§ 2.2-4100 et seq.), made by the Virginia Code Commission pursuant to § 30-150, shall be
1178 exempt from the provisions of this chapter.

1179 **§ 2.2-4346. Other exemptions for certain transactions.**

1180 The following public bodies may enter into contracts as provided in this section.

1181 A. Contracts for certain essential election materials and services are exempted from the requirements of
1182 Articles 1 (§ 2.2-4300 et seq.), 2 (§ 2.2-4303 et seq.), and 5 (§ 2.2-4357 et seq.) of this chapter pursuant to §
1183 24.2-602.

1184 B. Any local school board may authorize any of its public schools or its school division to enter into
1185 contracts providing that caps and gowns, photographs, class rings, yearbooks and graduation announcements
1186 will be available for purchase or rental by students, parents, faculty or other persons using nonpublic money
1187 through the use of competitive negotiation as provided in this chapter; competitive sealed bidding is not
1188 necessarily required for such contracts. The Superintendent of Public Instruction may provide assistance to
1189 public school systems regarding this chapter and other related laws.

1190 C. The Virginia ~~Racing~~ Gaming Commission, *with the advice of, in consultation with, and with the*

1191 *consent of the Virginia Racing Commission*, may designate an entity to administer and promote the Virginia
1192 Breeders Fund created pursuant to § ~~59.1-372~~ 29.5-611 without competitive procurement.

1193 **§ 3.2-102. General powers and duties of the Commissioner.**

1194 A. The Commissioner shall be vested with the powers and duties set out in § 2.2-601, the powers and
1195 duties herein provided, and such other powers and duties as may be prescribed by law; ~~including those~~
1196 ~~prescribed in Title 59.1~~. He shall be the executive officer of the Board, and shall see that its orders are carried
1197 out. He shall see to the proper execution of laws relating to the Department. Unless the Governor expressly
1198 reserves such power to himself, the Commissioner shall promote, protect, and develop the agricultural
1199 interests of the Commonwealth. The Commissioner shall develop, implement, and maintain programs within
1200 the Department including those that promote the development and marketing of the Commonwealth's
1201 agricultural products in domestic and international markets, including promotions, market development and
1202 research, marketing assistance, market information, and product grading and certification; promote the
1203 creation of new agribusiness including new crops, biotechnology and new uses of agricultural products, and
1204 the expansion of existing agribusiness within the Commonwealth; develop, promote, and maintain consumer
1205 protection programs that protect the safety and quality of the Commonwealth's food supply through food and
1206 dairy inspection activities, industry and consumer education, and information on food safety; work with other
1207 state agencies to preserve the Commonwealth's agricultural lands; ensure animal health and protect the
1208 Commonwealth's livestock industries through disease control and surveillance, maintaining animal health
1209 diagnostic laboratories, and encouraging the humane treatment and care of animals; protect public health and
1210 the environment through regulation and proper handling of pesticides, agricultural stewardship, and
1211 protection of endangered plant and insect species; protect crop and plant health and productivity; ensure
1212 consumer protection and fair trade practices in commerce; develop plans and emergency response protocols
1213 to protect the agriculture industry from bioterrorism, plant and animal diseases, and agricultural pests; assist
1214 as directed by the Governor in the Commonwealth's response to natural disasters; develop and implement
1215 programs and inspection activities to ensure that the Commonwealth's agricultural products move freely in
1216 trade domestically and internationally; and enter into agreements with federal, state, and local governments,
1217 land grant universities, and other organizations that include marketing, plant protection, pest control,
1218 pesticides, and meat and poultry inspection.

1219 B. In addition, the Commissioner shall:

1220 1. Establish and maintain a farm-to-school website. The purpose of the website shall be to facilitate and
1221 promote the purchase of Virginia farm products by schools, universities, and other educational institutions
1222 under the jurisdiction of the State Department of Education. The website shall present such current
1223 information as the availability of Virginia farm products, including the types and amount of products, and the
1224 names of and contact information for farmers, farm organizations, and businesses marketing such products;

1225 2. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title
1226 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,
1227 and sustain markets for licensed Virginia wineries and farm wineries, as defined in § 4.1-100. Such
1228 corporation shall provide wholesale wine distribution services for wineries and farm wineries licensed in
1229 accordance with § 4.1-206.1. The board of directors of such corporation shall be composed of the
1230 Commissioner and four members appointed by the Board, including one owner or manager of a winery or
1231 farm winery licensee that is not served by a wholesaler when the owner or manager is appointed to the board;
1232 one owner or manager of a winery or farm winery licensee that produces no more than 10,000 cases per year;
1233 and two owners or managers of wine wholesaler licensees. In making appointments to the board of directors,
1234 the Board shall consider nominations of winery and farm winery licensees submitted by the Virginia
1235 Wineries Association and wine wholesale licensees submitted by the Virginia Wine Wholesalers Association.
1236 The Commissioner shall require such corporation to report to him at least annually on its activities, including
1237 reporting the quantity of wine distributed for each winery and farm winery during the preceding year. The
1238 provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq.) shall not apply to the establishment of
1239 such corporation nor to the exercise of any of its powers granted under this section;

1240 3. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title
1241 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,
1242 and sustain markets for Virginia breweries and limited breweries. Such corporation shall provide wholesale
1243 beer distribution services for Virginia breweries and limited breweries licensed in accordance with §
1244 4.1-206.1. The board of directors of such corporation shall be composed of the Commissioner and four
1245 members appointed by the Board, (i) two of whom shall be an owner or manager of a Virginia beer wholesale
1246 licensee, (ii) one of whom shall be an owner or manager of a brewery or limited brewery licensee, and (iii)
1247 one of whom shall be an owner or manager of a brewery or limited brewery licensee that is not served by a
1248 wholesaler at the time such owner or manager is appointed to the board of directors. In making appointments

1249 to the board of directors, the Board shall consider nominations submitted by the Virginia Beer Wholesalers
1250 Association regarding members listed in clause (i) and nominations submitted by the Virginia Craft Brewers
1251 Guild regarding members listed in clauses (ii) and (iii). At least annually, such corporation shall be required
1252 to report to the Commissioner on its activities, including reporting the quantity of beer distributed for each
1253 brewery or limited brewery licensee during the preceding year. The Commissioner shall report such
1254 information to the General Assembly. The provisions of the Virginia Public Procurement Act (§ 2.2-4300 et
1255 seq.) shall not apply to the establishment of such corporation nor to the exercise of any of its powers granted
1256 under this section; *and*

1257 4. ~~Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) not~~
1258 ~~inconsistent with the laws of Virginia necessary to carry out the provisions of Article 1-1:1 (§ 18.2-340.15 et~~
1259 ~~seq.) of Chapter 8 of Title 18.2. Such regulations may include penalties for violations; and~~

1260 5. Ensure that the Department compiles and publishes the annual report relating to foreign adversary
1261 ownership of agricultural land required under § 55.1-509.

1262 **§ 3.2-6201. Horse racing excluded.**

1263 The provisions of this chapter shall not apply to horse racing, as that term is defined by § ~~59.1-365~~.
1264 29.5-601.

1265 **§ 4.1-100. Definitions.**

1266 As used in this subtitle unless the context requires a different meaning:

1267 "Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any fermented
1268 liquor, rectified either once or more often, whatever the origin, and shall include synthetic ethyl alcohol, but
1269 shall not include methyl alcohol and alcohol completely denatured in accordance with formulas approved by
1270 the government of the United States.

1271 "Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic beverages
1272 with pure oxygen or other gas to produce a vaporized product for the purpose of consumption by inhalation.

1273 "Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such varieties
1274 containing one-half of one percent or more of alcohol by volume, including mixed alcoholic beverages, and
1275 every liquid or solid, powder or crystal, patented or not, containing alcohol, spirits, wine, or beer and capable
1276 of being consumed by a human being. Any liquid or solid containing more than one of the four varieties shall
1277 be considered as belonging to that variety which has the higher percentage of alcohol, however obtained,

1278 according to the order in which they are set forth in this definition; except that beer may be manufactured to
1279 include flavoring materials and other nonbeverage ingredients containing alcohol, as long as no more than 49
1280 percent of the overall alcohol content of the finished product is derived from the addition of flavors and other
1281 nonbeverage ingredients containing alcohol for products with an alcohol content of no more than six percent
1282 by volume; or, in the case of products with an alcohol content of more than six percent by volume, as long as
1283 no more than one and one-half percent of the volume of the finished product consists of alcohol derived from
1284 added flavors and other nonbeverage ingredients containing alcohol.

1285 "Arts venue" means a commercial or nonprofit establishment that is open to the public and in which
1286 works of art are sold or displayed.

1287 "Authority" means the Virginia Alcoholic Beverage Control Authority created pursuant to this subtitle.

1288 "Barrel" means any container or vessel having a capacity of more than 43 ounces.

1289 "Bed and breakfast establishment" means any establishment (i) having no more than 15 bedrooms; (ii)
1290 offering to the public, for compensation, transitory lodging or sleeping accommodations; and (iii) offering at
1291 least one meal per day, which may but need not be breakfast, to each person to whom overnight lodging is
1292 provided. For purposes of the licensing requirements of this subtitle, "bed and breakfast establishment"
1293 includes any property offered to the public for short-term rental, as that term is defined in § 15.2-983, other
1294 than a hotel as defined in this section, regardless of whether a meal is offered to each person to whom
1295 overnight lodging is provided.

1296 "Beer" means any alcoholic beverage obtained by the fermentation of an infusion or decoction of barley,
1297 malt, and hops or of any similar products in drinkable water and containing one-half of one percent or more
1298 of alcohol by volume.

1299 "Board" means the Board of Directors of the Virginia Alcoholic Beverage Control Authority.

1300 "Bottle" means any vessel intended to contain liquids and having a capacity of not more than 43 ounces.

1301 "Bus" means a motor vehicle that (i) is operated by a common carrier licensed under Chapter 20 (§
1302 46.2-2000 et seq.) of Title 46.2 to transport passengers for compensation over the highways of the
1303 Commonwealth on regular or irregular routes of not less than 100 miles, (ii) seats no more than 24
1304 passengers, (iii) is 40 feet in length or longer, (iv) offers wireless Internet services, (v) is equipped with
1305 charging stations at every seat for cellular phones or other portable devices, and (vi) during the transportation
1306 of passengers, is staffed by an attendant who has satisfied all training requirements set forth in this subtitle or

1307 Board regulation.

1308 "Club" means any private nonprofit corporation or association which is the owner, lessee, or occupant of
1309 an establishment operated solely for a national, social, patriotic, political, athletic, or other like purpose, but
1310 not for pecuniary gain, the advantages of which belong to all of the members. It also means the establishment
1311 so operated. A corporation or association shall not lose its status as a club because of the conduct of
1312 charitable gaming conducted pursuant to ~~Article 1-1-1 (§ 18-2-340.15 et seq.)~~ of Chapter 8-2 (§ 29.5-200 et
1313 seq.) of Title ~~18-2~~ 29.5 in which nonmembers participate frequently or in large numbers, provided that no
1314 alcoholic beverages are served or consumed in the room where such charitable gaming is being conducted
1315 while such gaming is being conducted and that no alcoholic beverages are made available upon the premises
1316 to any person who is neither a member nor a bona fide guest of a member.

1317 Any such corporation or association which has been declared exempt from federal and state income taxes
1318 as one which is not organized and operated for pecuniary gain or profit shall be deemed a nonprofit
1319 corporation or association.

1320 "Commercial lifestyle center" means a mixed-use commercial development covering a minimum of 10
1321 acres of land and having at least 100,000 square feet of retail space featuring national specialty chain stores
1322 and a combination of dining, entertainment, office, residential, or hotel establishments located in a physically
1323 integrated outdoor setting that is pedestrian friendly and that is governed by a commercial owners' association
1324 that is responsible for the management, maintenance, and operation of the common areas thereof.

1325 "Container" means any barrel, bottle, carton, keg, vessel, or other receptacle used for holding alcoholic
1326 beverages.

1327 "Contract winemaking facility" means the premises of a licensed winery or farm winery that obtains
1328 grapes, fruits, and other agricultural products from a person holding a winery or farm winery license and
1329 crushes, processes, ferments, bottles, or provides any combination of such services pursuant to an agreement
1330 with the winery or farm winery licensee. For all purposes of this subtitle, wine produced by a contract
1331 winemaking facility for a winery or farm winery shall be considered to be wine owned and produced by the
1332 winery or farm winery that supplied the grapes, fruits, or other agricultural products used in the production of
1333 the wine. The contract winemaking facility shall have no right to sell the wine so produced, unless the terms
1334 of payment have not been fulfilled in accordance with the contract. The contract winemaking facility may
1335 charge the winery or farm winery for its services. A winery licensee may utilize contract winemaking

1336 services only for the manufacture or processing of wine of which no less than 90 percent of the grapes, fruits,
1337 and other agricultural products used to make such wine are grown in the Commonwealth.

1338 "Convenience grocery store" means an establishment that (i) has an enclosed room in a permanent
1339 structure where stock is displayed and offered for sale and (ii) maintains an inventory of edible items
1340 intended for human consumption consisting of a variety of such items of the types normally sold in grocery
1341 stores.

1342 "Culinary lodging resort" means a facility (i) having not less than 13 overnight guest rooms in a building
1343 that has at least 20,000 square feet of indoor floor space; (ii) located on a farm in the Commonwealth with at
1344 least 1,000 acres of land zoned agricultural; (iii) equipped with a full-service kitchen; and (iv) offering to the
1345 public, for compensation, at least one meal per day, lodging, and recreational and educational activities
1346 related to farming, livestock, and other rural activities.

1347 "Delicatessen" means an establishment that sells a variety of prepared foods or foods requiring little
1348 preparation, such as cheeses, salads, cooked meats, and related condiments.

1349 "Designated area" means a room or area approved by the Board for on-premises licensees.

1350 "Dining area" means a public room or area in which meals are regularly served.

1351 "Drugstore" means an establishment that sells medicines prepared by a licensed pharmacist pursuant to a
1352 prescription and other medicines and items for home and general use.

1353 "Establishment" means any place where alcoholic beverages of one or more varieties are lawfully
1354 manufactured, sold, or used.

1355 "Farm winery" means (i) an establishment or cooperative located in the Commonwealth on land zoned
1356 agricultural that has (a) a vineyard, orchard, or similar growing area that produces fruits or other agricultural
1357 products used to manufacture the wine of such farm winery, subject to the requirements set forth in § 4.1-219,
1358 and (b) facilities for fermenting and bottling wine on the premises where such farm winery manufactures
1359 wine that contains not more than 21 percent alcohol by volume or (ii) an accredited public or private
1360 institution of higher education, provided that (a) no wine manufactured by the institution shall be sold, (b) the
1361 wine manufactured by the institution shall be used solely for research and educational purposes, (c) the wine
1362 manufactured by the institution shall be stored on the premises of such farm winery that shall be separate and
1363 apart from all other facilities of the institution, and (d) such farm winery is operated in strict conformance
1364 with the requirements of this clause (ii) and Board regulations. As used in this definition, the term

1365 "cooperative" means a cooperative formed by an association of individuals for the purpose of manufacturing
1366 wine. In determining whether a cooperative licensed as a farm winery has met the requirements set forth in
1367 clause (i), the Board shall consider all land in the Commonwealth that is owned or leased by a member of the
1368 cooperative. For purposes of this definition, "land zoned agricultural" means (1) land zoned as an agricultural
1369 district or classification or (2) land otherwise permitted by a locality for farm winery use. For purposes of this
1370 definition, "land zoned agricultural" does not include land zoned "residential conservation." Except for the
1371 limitation on land zoned "residential conservation," nothing in the definition of "land zoned agricultural" shall
1372 otherwise limit or affect local zoning authority.

1373 "Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs, specialty
1374 items relating to history, original and handmade arts and products, collectibles, crafts, and floral
1375 arrangements, which is open to the public on a regular basis. Such shop shall be a permanent structure where
1376 stock is displayed and offered for sale and which has facilities to properly secure any stock of wine or beer.
1377 Such shop may be located (i) on the premises or grounds of a government registered national, state or local
1378 historic building or site or (ii) within the premises of a museum. The Board shall consider the purpose,
1379 characteristics, nature, and operation of the shop in determining whether it shall be considered a gift shop.

1380 "Gourmet brewing shop" means an establishment which sells to persons to whom wine or beer may
1381 lawfully be sold, ingredients for making wine or brewing beer, including packaging, and rents to such persons
1382 facilities for manufacturing, fermenting and bottling such wine or beer.

1383 "Gourmet oyster house" means an establishment that (i) is located on the premises of a commercial
1384 marina, (ii) is permitted by the Department of Health to serve oysters and other fresh seafood for
1385 consumption on the premises, and (iii) offers to the public events for the purpose of featuring and educating
1386 the consuming public about local oysters and other seafood products.

1387 "Gourmet shop" means an establishment provided with adequate inventory, shelving, and storage
1388 facilities, where, in consideration of payment, substantial amounts of domestic and imported wines and beers
1389 of various types and sizes and related products such as cheeses and gourmet foods are habitually furnished to
1390 persons.

1391 "Government store" means a store established by the Authority for the sale of alcoholic beverages.

1392 "Grocery store" means an establishment that sells food and other items intended for human consumption,
1393 including a variety of ingredients commonly used in the preparation of meals.

1394 "Historic cinema house" means a nonprofit establishment exempt from taxation under § 501(c)(3) of the
1395 Internal Revenue Code that was built prior to 1970 and that exists for the primary purpose of showing motion
1396 pictures to the public.

1397 "Hotel" means any duly licensed establishment, provided with special space and accommodation, where,
1398 in consideration of payment, food and lodging are habitually furnished to persons, and which has four or
1399 more bedrooms. It shall also mean the person who operates such hotel.

1400 "Interdicted person" means a person to whom the sale of alcoholic beverages is prohibited by order
1401 pursuant to this subtitle.

1402 "Internet wine and beer retailer" means a person who owns or operates an establishment with adequate
1403 inventory, shelving, and storage facilities, where, in consideration of payment, Internet or telephone orders
1404 are taken and shipped directly to consumers and which establishment is not a retail store open to the public.

1405 "Intoxicated" means a condition in which a person has drunk enough alcoholic beverages to observably
1406 affect his manner, disposition, speech, muscular movement, general appearance, or behavior.

1407 "Licensed" means the holding of a valid license granted by the Authority.

1408 "Licensee" means any person to whom a license has been granted by the Authority.

1409 "Liqueur" means any of a class of highly flavored alcoholic beverages that do not exceed an alcohol
1410 content of 25 percent by volume.

1411 "Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by
1412 volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed
1413 with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit
1414 adjuncts, sugar, carbon dioxide, preservatives or other similar products manufactured by fermenting fruit or
1415 fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes of this subtitle, except that
1416 low alcohol beverage coolers may be manufactured by a licensed distiller or a distiller located outside the
1417 Commonwealth.

1418 "Marina store" means an establishment that is located on the same premises as a marina, is operated by
1419 the owner of such marina, and sells food and nautical and fishing supplies.

1420 "Meals" means, for a mixed beverage license, an assortment of foods commonly ordered in bona fide,
1421 full-service restaurants as principal meals of the day. Such restaurants shall include establishments
1422 specializing in full course meals with a single substantial entree.

1423 "Member of a club" means (i) a person who maintains his membership in the club by the payment of
1424 monthly, quarterly, or annual dues in the manner established by the rules and regulations thereof or (ii) a
1425 person who is a member of a bona fide auxiliary, local chapter, or squadron composed of direct lineal
1426 descendants of a bona fide member, whether alive or deceased, of a national or international organization to
1427 which an individual lodge holding a club license is an authorized member in the same locality. It shall also
1428 mean a lifetime member whose financial contribution is not less than 10 times the annual dues of resident
1429 members of the club, the full amount of such contribution being paid in advance in a lump sum.

1430 "Mixed beverage" or "mixed alcoholic beverage" means a drink composed in whole or in part of spirits.

1431 "Mixer" means any prepackaged ingredients containing beverages or flavoring or coloring materials, and
1432 which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives which are
1433 not commonly consumed unless combined with alcoholic beverages, whether or not such ingredients contain
1434 alcohol. Such specialty beverage product shall be manufactured or distributed by a Virginia corporation.

1435 "Municipal golf course" means any golf course that is owned by any town incorporated in 1849 and which
1436 is the county seat of Smyth County.

1437 "Performing arts facility" means an indoor or outdoor amphitheater, arena, multipurpose theater, or
1438 similar facility at which live musical, dance, theatre, or similar performances, the types of which are
1439 approved by the Authority, are performed, provided that the facility has stationary stadium or similar seating
1440 for more than 500 persons.

1441 "Place or premises" means the real estate, together with any buildings or other improvements thereon,
1442 designated in the application for a license as the place at which the manufacture, bottling, distribution, use or
1443 sale of alcoholic beverages shall be performed, except that portion of any such building or other improvement
1444 actually and exclusively used as a private residence.

1445 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
1446 family members beneficially owns or controls, directly or indirectly, five percent or more of the equity
1447 ownership of any person that is a licensee of the Authority, or who in concert with his spouse and immediate
1448 family members has the power to vote or cause the vote of five percent or more of any such equity
1449 ownership. "Principal stockholder" does not include a broker-dealer registered under the Securities Exchange
1450 Act of 1934, as amended, that holds in inventory shares for sale on the financial markets for a publicly traded
1451 corporation holding, directly or indirectly, a license from the Authority.

1452 "Public place" means any place, building, or conveyance to which the public has, or is permitted to have,
1453 access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels, and any park,
1454 place of public resort or amusement, highway, street, lane, or sidewalk adjoining any highway, street, or lane.

1455 "Public place" does not include (i) hotel or restaurant dining areas or ballrooms while in use for private
1456 meetings or private parties limited in attendance to members and guests of a particular group, association or
1457 organization; (ii) restaurants licensed by the Authority in office buildings or industrial or similar facilities
1458 while such restaurant is closed to the public and in use for private meetings or parties limited in attendance to
1459 employees and nonpaying guests of the owner or a lessee of all or part of such building or facility; (iii)
1460 offices, office buildings or industrial facilities while closed to the public and in use for private meetings or
1461 parties limited in attendance to employees and nonpaying guests of the owner or a lessee of all or part of such
1462 building or facility; or (iv) private recreational or chartered boats which are not licensed by the Board and on
1463 which alcoholic beverages are not sold.

1464 "Residence" means any building or part of a building or structure where a person resides, but does not
1465 include any part of a building that is not actually and exclusively used as a private residence, nor any part of a
1466 hotel or club other than a private guest room thereof.

1467 "Resort complex" means a facility (i) with a hotel owning year-round sports and recreational facilities
1468 located contiguously on the same property; (ii) owned by a nonstock, nonprofit, taxable corporation with
1469 voluntary membership which, as its primary function, makes available golf, ski, and other recreational
1470 facilities both to its members and to the general public; or (iii) operated by a corporation that operates as a
1471 management company which, as its primary function, makes available (a) vacation accommodations, guest
1472 rooms, or dwelling units and (b) golf, ski, and other recreational facilities to members of the managed entities
1473 and the general public. The hotel or corporation shall have or manage a minimum of 140 private guest rooms
1474 or dwelling units contained on not less than 50 acres, whether or not contiguous to the licensed premises; if
1475 the guest rooms or dwelling units are located on property that is not contiguous to the licensed premises, such
1476 guest rooms and dwelling units shall be located within the same locality. The Authority may consider the
1477 purpose, characteristics, and operation of the applicant establishment in determining whether it shall be
1478 considered as a resort complex. All other pertinent qualifications established by the Board for a hotel
1479 operation shall be observed by such licensee.

1480 "Restaurant" means, for a wine and beer license or a limited mixed beverage restaurant license, any

1481 establishment provided with special space and accommodation, where, in consideration of payment, meals or
1482 other foods prepared on the premises are regularly sold.

1483 "Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant license,
1484 an established place of business (i) where meals with substantial entrees are regularly sold and (ii) which has
1485 adequate facilities and sufficient employees for cooking, preparing, and serving such meals for consumption
1486 at tables in dining areas on the premises, and includes establishments specializing in full course meals with a
1487 single substantial entree.

1488 "Sale" and "sell" includes soliciting or receiving an order for; keeping, offering or exposing for sale;
1489 peddling, exchanging or bartering; or delivering otherwise than gratuitously, by any means, alcoholic
1490 beverages.

1491 "Sangria" means a drink consisting of red or white wine mixed with some combination of sweeteners,
1492 fruit, fruit juice, soda, or soda water that may also be mixed with brandy, triple sec, or other similar spirits.

1493 "Special agent" means an employee of the Virginia Alcoholic Beverage Control Authority whom the
1494 Board has designated as a law-enforcement officer pursuant to § 4.1-105.

1495 "Special event" means an event sponsored by a duly organized nonprofit corporation or association and
1496 conducted for an athletic, charitable, civic, educational, political, or religious purpose.

1497 "Spirits" means any beverage that contains alcohol obtained by distillation mixed with drinkable water
1498 and other substances, in solution, and includes, among other things, brandy, rum, whiskey, and gin, or any
1499 one or more of the last four named ingredients, but shall not include any such liquors completely denatured in
1500 accordance with formulas approved by the United States government.

1501 "Sports facility" means a coliseum, stadium, racetrack, or similar facility at which professional sports, as
1502 defined in § ~~58.1-4030~~ 29.5-400, or similar events, the types of which are approved by the Authority, are
1503 conducted.

1504 "Wine" means any alcoholic beverage, including cider, obtained by the fermentation of the natural sugar
1505 content of fruits or other agricultural products containing (i) sugar, including honey and milk, either with or
1506 without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no product of
1507 distillation. "Wine" includes any wine to which wine spirits have been added, as provided in the Internal
1508 Revenue Code, to make products commonly known as "fortified wine" which do not exceed an alcohol
1509 content of 21 percent by volume.

1510 "Wine cooler" means a drink containing one-half of one percent or more of alcohol by volume, and not
1511 more than three and two-tenths percent of alcohol by weight or four percent by volume consisting of wine
1512 mixed with nonalcoholic beverages or flavoring or coloring materials, and which may also contain water,
1513 fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives and shall include other similar products
1514 manufactured by fermenting fruit or fruit juices. Wine coolers and similar fermented fruit juice beverages
1515 shall be treated as wine for all purposes except for taxation under § 4.1-236.

1516 "With or without meals" means the selling and serving of alcoholic beverages by retail licensees for
1517 on-premises consumption whether or not accompanied by food so long as the total food-beverage ratio
1518 required by § 4.1-206.3, or the monthly food sale requirement established by Board regulation, is met by such
1519 retail licensee.

1520 **§ 4.1-206.3. (Effective until July 1, 2026) Retail licenses.**

1521 A. The Board may grant the following mixed beverages licenses:

1522 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
1523 beverages for on-premises consumption in dining areas and other designated areas of such restaurant or
1524 off-premises consumption. Such license may be granted only to persons (i) who operate a restaurant and (ii)
1525 whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and
1526 nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent
1527 of the gross receipts from the sale of mixed beverages and food. For the purposes of this subdivision, other
1528 designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises,
1529 which outdoor dining areas may have more than one means of ingress and egress to an adjacent public
1530 thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such
1531 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
1532 5 of § 4.1-201.

1533 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent
1534 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,
1535 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed
1536 beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or off-
1537 premises consumption and (b) sell spirits packaged in original closed containers purchased from the Board
1538 for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in

1539 such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, the Board
1540 may authorize the sale and on-premises consumption of alcoholic beverages in all areas within the resort
1541 complex deemed appropriate by the Board. Nothing herein shall prohibit any person from keeping and
1542 consuming his own lawfully acquired spirits in bedrooms or private rooms.

1543 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club
1544 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in
1545 another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize
1546 the licensees to (1) sell and serve mixed beverages for on-premises or off-premises consumption and (2) sell
1547 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50
1548 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food in
1549 its restaurant but purchases its food requirements from a restaurant licensed by the Board and located on
1550 another portion of the premises of the same hotel or motel building, this fact shall not prohibit the granting of
1551 a license by the Board to such club qualifying in all other respects. The club's gross receipts from the sale of
1552 nonalcoholic beverages consumed on the premises and food resold to its members and guests and consumed
1553 on the premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and
1554 food. The food sales made by a restaurant to such a club shall be excluded in any consideration of the
1555 qualifications of such restaurant for a license from the Board.

1556 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall
1557 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for
1558 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,
1559 including meals, is available to patrons during the same months. The gross receipts from the sale of food
1560 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
1561 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed
1562 beverages and food on an annualized basis.

1563 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall
1564 authorize the licensee to (A) sell alcoholic beverages, without regard to the amount of gross receipts from the
1565 sale of food prepared and consumed on the premises, for off-premises consumption or for on-premises
1566 consumption in areas upon the licensed premises approved by the Board and other designated areas of the
1567 resort, including outdoor areas under the control of the licensee, and (B) permit the possession and

1568 consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being
1569 provided in bedrooms and private guest rooms.

1570 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator
1571 licensed under ~~Article~~ Chapter 3 (§ ~~58.1-4108, 29.5-300~~ et seq.) of ~~Chapter 41~~ of Title ~~58.1~~ 29.5, such mixed
1572 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises
1573 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage
1574 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises
1575 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after
1576 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the
1577 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private
1578 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to
1579 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly
1580 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

1581 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a
1582 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises
1583 consumption; however, the licensee shall be required to pay the local fee required for such additional license
1584 pursuant to § 4.1-233.1.

1585 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the
1586 business of providing food and beverages to others for service at private gatherings or at special events,
1587 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The
1588 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages
1589 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross
1590 receipts from the sale of mixed beverages and food.

1591 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in
1592 the business of providing food and beverages to others for service at private gatherings or at special events,
1593 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic
1594 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared
1595 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall
1596 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

1597 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,
1598 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the
1599 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of
1600 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a
1601 financial institution, or persons approved by the applicable airport authority that have entered into a contract
1602 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall
1603 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed
1604 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its
1605 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier
1606 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to
1607 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages
1608 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier
1609 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages
1610 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and
1611 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,
1612 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall
1613 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
1614 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
1615 pay the local fee required for such additional license pursuant to § 4.1-233.1.

1616 For the purposes of this subdivision:

1617 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
1618 consumer finance company, or credit union.

1619 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by
1620 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

1621 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
1622 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
1623 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
1624 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
1625 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises

1626 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully
1627 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
1628 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
1629 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
1630 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §
1631 4.1-233.1.

1632 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert
1633 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be
1634 combined with coffee or other nonalcoholic beverages, for on-premises consumption in dining areas of the
1635 restaurant or off-premises consumption. Such license may be granted only to persons who operate a
1636 restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the sale of any
1637 other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and alcoholic
1638 beverages. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to
1639 obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for
1640 off-premises consumption; however, the licensee shall be required to pay the local fee required for such
1641 additional license pursuant to § 4.1-233.1.

1642 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,
1643 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers
1644 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,
1645 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)
1646 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
1647 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
1648 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to
1649 persons operating a performing arts facility or food concessions at a performing arts facility.

1650 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or
1651 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed
1652 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize
1653 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business
1654 premises designated in the license, with a common alcoholic beverage inventory for purposes of the

1655 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for
1656 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant
1657 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the
1658 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed
1659 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required
1660 for such additional license pursuant to § 4.1-233.1.

1661 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining
1662 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
1663 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without
1664 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)
1665 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is
1666 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast
1667 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,
1668 whether or not contiguous to the licensed premises, which may have more than one means of ingress and
1669 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the
1670 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail
1671 license issued pursuant to subdivision A 5 of § 4.1-201.

1672 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)
1673 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully
1674 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and
1675 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.
1676 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of
1677 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

1678 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
1679 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
1680 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
1681 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
1682 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
1683 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle

1684 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
1685 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
1686 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
1687 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
1688 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
1689 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the
1690 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
1691 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
1692 applicable provisions of this subtitle and Board regulations.

1693 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
1694 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
1695 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is
1696 located on property owned by the United States government or an agency thereof and used as a port of entry
1697 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,
1698 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such
1699 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the
1700 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not
1701 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress
1702 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and
1703 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license
1704 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall
1705 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
1706 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
1707 pay the local fee required for such additional license pursuant to § 4.1-233.1.

1708 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
1709 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
1710 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects
1711 significant in American history and culture; (iii) persons operating an agricultural event and entertainment
1712 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other

1713 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,
1714 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a
1715 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall
1716 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was
1717 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during
1718 scheduled events and performances for on-premises consumption in areas upon the licensed premises
1719 approved by the Board.

1720 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed
1721 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed
1722 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and
1723 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises
1724 consumption in private areas or restricted access areas designated by the Board, after consultation with the
1725 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
1726 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,
1727 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
1728 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
1729 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
1730 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §
1731 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
1732 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino
1733 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
1734 between the hours of 12 a.m. and 6 a.m.

1735 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed
1736 containers for personal consumption off the licensed premises or in areas designated by the Board, after
1737 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or
1738 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises
1739 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the
1740 Board upon request.

1741 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an

1742 operator licensed under ~~Article Chapter~~ 3 (§ ~~58.1-4108, 29.5-300~~ et seq.) of ~~Chapter 41~~ of Title ~~58.1 29.5~~.

1743 B. The Board may grant an on-and-off-premises wine and beer license to the following:

1744 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
1745 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
1746 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
1747 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
1748 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
1749 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
1750 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
1751 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
1752 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross
1753 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is
1754 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter
1755 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board
1756 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own
1757 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this
1758 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed
1759 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,
1760 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such
1761 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
1762 5 of § 4.1-201.

1763 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their
1764 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first
1765 obtained or (ii) in closed containers for off-premises consumption.

1766 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
1767 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the
1768 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)
1769 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public
1770 convenience and the purposes of this subtitle will be promoted by granting the license.

1771 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any
1772 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,
1773 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises
1774 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
1775 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
1776 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
1777 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar
1778 facilities.

1779 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during
1780 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,
1781 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,
1782 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon
1783 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic
1784 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to
1785 persons operating food concessions at any performing arts facility.

1786 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or
1787 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such
1788 additional locations designated by the Board in such facilities (i) in closed containers for off-premises
1789 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
1790 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
1791 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
1792 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention
1793 centers, or similar facilities located in any county operating under the urban county executive form of
1794 government or any city that is completely surrounded by such county. For purposes of this subdivision,
1795 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade
1796 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

1797 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to
1798 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining
1799 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption

1800 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall
1801 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to
1802 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in
1803 Natural Bridge Station and formerly operated as Natural Bridge High School.

1804 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without
1805 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,
1806 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this
1807 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

1808 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
1809 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
1810 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of
1811 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming
1812 public about historic beer products. The privileges of this license shall be limited to the premises of the
1813 museum, regularly occupied and utilized as such.

1814 C. The Board may grant the following off-premises wine and beer licenses:

1815 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,
1816 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as
1817 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in
1818 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to
1819 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises
1820 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more
1821 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also
1822 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring
1823 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the
1824 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives
1825 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall
1826 comply with any food inventory and sales volume requirements established by Board regulation.

1827 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine
1828 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent

1829 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises
1830 consumption in accordance with subdivision 6 of § 4.1-200.

1831 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises
1832 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol
1833 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

1834 D. The Board may grant the following banquet, special event, and tasting licenses:

1835 1. Per-day event licenses.

1836 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations
1837 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in
1838 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.
1839 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized
1840 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons
1841 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
1842 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
1843 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
1844 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
1845 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
1846 the application may also name an alternative location in the event of inclement weather. However, no such
1847 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

1848 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in
1849 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-
1850 premises consumption in areas approved by the Board on the premises of the place designated in the license.
1851 A separate license shall be required for each day of each special event.

1852 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
1853 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and
1854 their guests in areas approved by the Board on the club premises. A separate license shall be required for each
1855 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The
1856 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license
1857 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay

1858 the local fee required for such additional license pursuant to § 4.1-233.1.

1859 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the
1860 type specified in the license in designated areas at events held by the licensee. A tasting license shall be
1861 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being
1862 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be
1863 required for conduct authorized by § 4.1-201.1.

1864 2. Annual licenses.

1865 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
1866 membership organizations that are exempt from state and federal taxation and in charge of banquets
1867 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
1868 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or
1869 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For
1870 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
1871 the application may also name an alternative location in the event of inclement weather. However, no such
1872 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

1873 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
1874 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
1875 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,
1876 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be
1877 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
1878 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or
1879 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which
1880 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer
1881 fire or volunteer emergency medical services agency station, provided such other premises are occupied and
1882 under the control of the volunteer fire department or volunteer emergency medical services agency while the
1883 privileges of its license are being exercised.

1884 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit
1885 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within
1886 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-

1887 premises licensee that is located within the area designated by the Board for the designated outdoor
1888 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area
1889 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses
1890 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the
1891 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.
1892 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any
1893 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration
1894 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.
1895 Such ordinance shall include the size and scope of the area within which such events will be held, a public
1896 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of
1897 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is
1898 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively
1899 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
1900 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
1901 the Board regarding the days and times during which the privileges of the license will be exercised. Only
1902 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
1903 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
1904 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the
1905 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the
1906 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
1907 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
1908 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
1909 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board
1910 regulations.

1911 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
1912 charitable membership organizations that are exempt from state and federal taxation and in charge of
1913 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
1914 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place
1915 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per

1916 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee
1917 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
1918 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

1919 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
1920 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
1921 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic
1922 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be
1923 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and
1924 steeplechase events, and (ii) exercised on no more than four calendar days per year.

1925 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
1926 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the
1927 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not
1928 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more
1929 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges
1930 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and
1931 (ii) exercised on no more than 12 calendar days per year.

1932 E. The Board may grant a marketplace license to persons operating a business enterprise of which the
1933 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve
1934 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations
1935 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two
1936 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer
1937 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the
1938 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to
1939 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;
1940 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager
1941 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training
1942 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed
1943 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether
1944 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the

1945 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;
1946 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and
1947 welfare.

1948 F. The Board may grant the following shipper, bottler, and related licenses:

1949 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.

1950 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the
1951 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in
1952 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
1953 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
1954 requirement established by Board regulations.

1955 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of
1956 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)
1957 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
1958 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
1959 Commonwealth for resale outside the Commonwealth.

1960 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place
1961 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by
1962 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,
1963 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No
1964 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person
1965 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the
1966 business for which any fulfillment warehouse license is issued.

1967 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under
1968 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business
1969 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or
1970 beer through the use of the Internet from persons in the Commonwealth to whom wine or beer may be
1971 lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine or
1972 beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing
1973 portal licensees may also accept payment on behalf of the shipper.

1974 6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-212.2.

1975 **§ 4.1-206.3. (Effective July 1, 2026) Retail licenses.**

1976 A. The Board may grant the following mixed beverages licenses:

1977 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
1978 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
1979 granted only to persons (i) who operate a restaurant and (ii) whose gross receipts from the sale of food
1980 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
1981 issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages
1982 and food. For the purposes of this subdivision, other designated areas shall include outdoor dining areas,
1983 whether or not contiguous to the licensed premises, which outdoor dining areas may have more than one
1984 means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of
1985 the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any
1986 retail license issued pursuant to subdivision A 5 of § 4.1-201.

1987 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent
1988 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,
1989 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed
1990 beverages for consumption in such designated areas, bedrooms, and other private rooms and (b) sell spirits
1991 packaged in original closed containers purchased from the Board for on-premises consumption to registered
1992 guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However,
1993 with regard to a hotel classified as a resort complex, the Board may authorize the sale and on-premises
1994 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board.
1995 Nothing herein shall prohibit any person from keeping and consuming his own lawfully acquired spirits in
1996 bedrooms or private rooms.

1997 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club
1998 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in
1999 another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize
2000 the licensees to (1) sell and serve mixed beverages for on-premises consumption and (2) sell spirits that are
2001 packaged in original closed containers with a maximum capacity of two fluid ounces or 50 milliliters and
2002 purchased from the Board for on-premises consumption. Where such club prepares no food in its restaurant

2003 but purchases its food requirements from a restaurant licensed by the Board and located on another portion of
2004 the premises of the same hotel or motel building, this fact shall not prohibit the granting of a license by the
2005 Board to such club qualifying in all other respects. The club's gross receipts from the sale of nonalcoholic
2006 beverages consumed on the premises and food resold to its members and guests and consumed on the
2007 premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and food.
2008 The food sales made by a restaurant to such a club shall be excluded in any consideration of the qualifications
2009 of such restaurant for a license from the Board.

2010 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall
2011 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for
2012 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,
2013 including meals, is available to patrons during the same months. The gross receipts from the sale of food
2014 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
2015 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed
2016 beverages and food on an annualized basis.

2017 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall
2018 authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard to the
2019 amount of gross receipts from the sale of food prepared and consumed on the premises, in areas upon the
2020 licensed premises approved by the Board and other designated areas of the resort, including outdoor areas
2021 under the control of the licensee, and (B) permit the possession and consumption of lawfully acquired
2022 alcoholic beverages by persons to whom overnight lodging is being provided in bedrooms and private guest
2023 rooms.

2024 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator
2025 licensed under ~~Article Chapter 3~~ (~~§ 58.1-4108, 29.5-300~~ et seq.) of ~~Chapter 41~~ of Title ~~58.1-29.5~~, such mixed
2026 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises
2027 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage
2028 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises
2029 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after
2030 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the
2031 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private

2032 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to
2033 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly
2034 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

2035 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a
2036 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises
2037 consumption; however, the licensee shall be required to pay the local fee required for such additional license
2038 pursuant to § 4.1-233.1.

2039 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the
2040 business of providing food and beverages to others for service at private gatherings or at special events,
2041 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The
2042 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages
2043 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross
2044 receipts from the sale of mixed beverages and food.

2045 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in
2046 the business of providing food and beverages to others for service at private gatherings or at special events,
2047 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic
2048 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared
2049 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall
2050 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

2051 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,
2052 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the
2053 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of
2054 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a
2055 financial institution, or persons approved by the applicable airport authority that have entered into a contract
2056 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall
2057 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed
2058 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its
2059 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier
2060 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to

2061 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages
2062 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier
2063 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages
2064 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and
2065 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,
2066 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall
2067 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2068 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2069 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2070 For the purposes of this subdivision:

2071 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
2072 consumer finance company, or credit union.

2073 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by
2074 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

2075 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
2076 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
2077 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
2078 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
2079 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
2080 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully
2081 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
2082 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
2083 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
2084 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §
2085 4.1-233.1.

2086 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert
2087 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be
2088 combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the restaurant.
2089 Such license may be granted only to persons who operate a restaurant and in no event shall the sale of such

2090 wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 10 percent of
2091 the total annual gross sales of all food and alcoholic beverages. The granting of a license pursuant to this
2092 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for
2093 on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall
2094 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2095 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,
2096 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers
2097 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,
2098 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)
2099 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2100 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2101 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to
2102 persons operating a performing arts facility or food concessions at a performing arts facility.

2103 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or
2104 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed
2105 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize
2106 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business
2107 premises designated in the license, with a common alcoholic beverage inventory for purposes of the
2108 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for
2109 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant
2110 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the
2111 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed
2112 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required
2113 for such additional license pursuant to § 4.1-233.1.

2114 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining
2115 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
2116 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without
2117 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)
2118 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is

2119 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast
2120 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,
2121 whether or not contiguous to the licensed premises, which may have more than one means of ingress and
2122 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the
2123 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail
2124 license issued pursuant to subdivision A 5 of § 4.1-201.

2125 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)
2126 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully
2127 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and
2128 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.
2129 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of
2130 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2131 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
2132 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
2133 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
2134 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
2135 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
2136 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle
2137 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
2138 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
2139 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
2140 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
2141 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
2142 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the
2143 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
2144 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
2145 applicable provisions of this subtitle and Board regulations.

2146 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
2147 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be

2148 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is
2149 located on property owned by the United States government or an agency thereof and used as a port of entry
2150 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,
2151 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such
2152 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the
2153 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not
2154 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress
2155 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and
2156 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license
2157 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall
2158 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2159 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2160 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2161 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
2162 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
2163 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects
2164 significant in American history and culture; (iii) persons operating an agricultural event and entertainment
2165 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other
2166 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,
2167 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a
2168 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall
2169 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was
2170 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during
2171 scheduled events and performances for on-premises consumption in areas upon the licensed premises
2172 approved by the Board.

2173 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed
2174 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed
2175 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and
2176 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises

2177 consumption in private areas or restricted access areas designated by the Board, after consultation with the
2178 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
2179 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,
2180 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
2181 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
2182 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
2183 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §
2184 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
2185 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino
2186 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
2187 between the hours of 12 a.m. and 6 a.m.

2188 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed
2189 containers for personal consumption off the licensed premises or in areas designated by the Board, after
2190 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or
2191 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises
2192 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the
2193 Board upon request.

2194 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an
2195 operator licensed under ~~Article Chapter 3~~ (§ ~~58.1-4108~~ 29.5-300 et seq.) of ~~Chapter 41~~ of Title ~~58.1~~ 29.5.

2196 B. The Board may grant an on-and-off-premises wine and beer license to the following:

2197 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
2198 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
2199 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
2200 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
2201 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
2202 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
2203 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
2204 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
2205 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross

2206 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is
2207 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter
2208 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board
2209 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own
2210 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this
2211 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed
2212 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,
2213 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such
2214 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
2215 5 of § 4.1-201.

2216 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their
2217 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first
2218 obtained or (ii) in closed containers for off-premises consumption.

2219 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
2220 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the
2221 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)
2222 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public
2223 convenience and the purposes of this subtitle will be promoted by granting the license.

2224 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any
2225 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,
2226 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises
2227 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
2228 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
2229 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
2230 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar
2231 facilities.

2232 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during
2233 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,
2234 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,

2235 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon
2236 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic
2237 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to
2238 persons operating food concessions at any performing arts facility.

2239 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or
2240 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such
2241 additional locations designated by the Board in such facilities (i) in closed containers for off-premises
2242 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
2243 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
2244 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
2245 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention
2246 centers, or similar facilities located in any county operating under the urban county executive form of
2247 government or any city that is completely surrounded by such county. For purposes of this subdivision,
2248 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade
2249 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

2250 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to
2251 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining
2252 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption
2253 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall
2254 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to
2255 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in
2256 Natural Bridge Station and formerly operated as Natural Bridge High School.

2257 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without
2258 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,
2259 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this
2260 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

2261 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
2262 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
2263 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of

2264 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming
2265 public about historic beer products. The privileges of this license shall be limited to the premises of the
2266 museum, regularly occupied and utilized as such.

2267 C. The Board may grant the following off-premises wine and beer licenses:

2268 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,
2269 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as
2270 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in
2271 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to
2272 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises
2273 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more
2274 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also
2275 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring
2276 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the
2277 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives
2278 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall
2279 comply with any food inventory and sales volume requirements established by Board regulation.

2280 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine
2281 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent
2282 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises
2283 consumption in accordance with subdivision 6 of § 4.1-200.

2284 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises
2285 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol
2286 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

2287 D. The Board may grant the following banquet, special event, and tasting licenses:

2288 1. Per-day event licenses.

2289 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations
2290 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in
2291 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.
2292 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized

2293 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons
2294 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
2295 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
2296 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
2297 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
2298 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2299 the application may also name an alternative location in the event of inclement weather. However, no such
2300 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2301 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in
2302 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-
2303 premises consumption in areas approved by the Board on the premises of the place designated in the license.
2304 A separate license shall be required for each day of each special event.

2305 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
2306 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and
2307 their guests in areas approved by the Board on the club premises. A separate license shall be required for each
2308 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The
2309 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license
2310 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay
2311 the local fee required for such additional license pursuant to § 4.1-233.1.

2312 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the
2313 type specified in the license in designated areas at events held by the licensee. A tasting license shall be
2314 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being
2315 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be
2316 required for conduct authorized by § 4.1-201.1.

2317 2. Annual licenses.

2318 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
2319 membership organizations that are exempt from state and federal taxation and in charge of banquets
2320 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
2321 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or

2322 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For
2323 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2324 the application may also name an alternative location in the event of inclement weather. However, no such
2325 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2326 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
2327 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
2328 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,
2329 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be
2330 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
2331 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or
2332 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which
2333 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer
2334 fire or volunteer emergency medical services agency station, provided such other premises are occupied and
2335 under the control of the volunteer fire department or volunteer emergency medical services agency while the
2336 privileges of its license are being exercised.

2337 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit
2338 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within
2339 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-
2340 premises licensee that is located within the area designated by the Board for the designated outdoor
2341 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area
2342 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses
2343 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the
2344 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.
2345 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any
2346 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration
2347 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.
2348 Such ordinance shall include the size and scope of the area within which such events will be held, a public
2349 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of
2350 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is

2351 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively
2352 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
2353 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
2354 the Board regarding the days and times during which the privileges of the license will be exercised. Only
2355 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
2356 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
2357 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the
2358 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the
2359 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
2360 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
2361 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
2362 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board
2363 regulations.

2364 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
2365 charitable membership organizations that are exempt from state and federal taxation and in charge of
2366 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
2367 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place
2368 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per
2369 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee
2370 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
2371 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2372 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
2373 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
2374 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic
2375 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be
2376 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and
2377 steeplechase events, and (ii) exercised on no more than four calendar days per year.

2378 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
2379 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the

2380 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not
2381 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more
2382 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges
2383 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and
2384 (ii) exercised on no more than 12 calendar days per year.

2385 E. The Board may grant a marketplace license to persons operating a business enterprise of which the
2386 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve
2387 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations
2388 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two
2389 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer
2390 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the
2391 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to
2392 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;
2393 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager
2394 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training
2395 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed
2396 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether
2397 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the
2398 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;
2399 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and
2400 welfare.

2401 F. The Board may grant the following shipper, bottler, and related licenses:

2402 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.

2403 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the
2404 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in
2405 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
2406 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
2407 requirement established by Board regulations.

2408 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of

2409 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)
2410 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
2411 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
2412 Commonwealth for resale outside the Commonwealth.

2413 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place
2414 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by
2415 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,
2416 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No
2417 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person
2418 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the
2419 business for which any fulfillment warehouse license is issued.

2420 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under
2421 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business
2422 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or
2423 beer through the use of the Internet from persons in the Commonwealth to whom wine or beer may be
2424 lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine or
2425 beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing
2426 portal licensees may also accept payment on behalf of the shipper.

2427 **§ 8.01-216.3. False claims; civil penalty.**

2428 A. Any person who:

2429 1. Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;

2430 2. Knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or
2431 fraudulent claim;

2432 3. Conspires to commit a violation of subdivision 1, 2, 4, 5, 6, 7, 8, or 9;

2433 4. Has possession, custody, or control of property or money used, or to be used, by the Commonwealth
2434 and knowingly delivers, or causes to be delivered, less than all such money or property;

2435 5. Has possession, custody, or control of an illegal gambling device, as defined in § 18.2-325, knowing
2436 such device is illegal, and knowingly conceals, avoids, or decreases an obligation to pay or transmit money to
2437 the Commonwealth that is derived from the operation of such device;

2438 6. Manufactures for sale, sells, or distributes an illegal gaming device knowing that such device is or is
2439 intended to be operated in the Commonwealth in violation of Article 1 (§ 18.2-325 et seq.) or ~~Article 1-1-1~~ (§
2440 ~~18.2-340.15 et seq.~~) of Chapter 8.2 (§ 29.5-200 et seq.) of Title ~~18.2~~ 29.5;

2441 7. Is authorized to make or deliver a document certifying receipt of property used, or to be used, by the
2442 Commonwealth and, intending to defraud the Commonwealth, makes or delivers the receipt without
2443 completely knowing that the information on the receipt is true;

2444 8. Knowingly buys or receives as a pledge of an obligation or debt, public property from an officer or
2445 employee of the Commonwealth who lawfully may not sell or pledge the property; or

2446 9. Knowingly makes, uses, or causes to be made or used, a false record or statement material to an
2447 obligation to pay or transmit money or property to the Commonwealth or knowingly conceals or knowingly
2448 and improperly avoids or decreases an obligation to pay or transmit money or property to the
2449 Commonwealth;

2450 shall be liable to the Commonwealth for a civil penalty of not less than \$10,957 and not more than
2451 \$21,916, except that these lower and upper limits on liability shall automatically be adjusted to equal the
2452 amounts allowed under the Federal False Claims Act, 31 U.S.C. § 3729 et seq., as amended, as such penalties
2453 in the Federal False Claims Act are adjusted for inflation by the Federal Civil Penalties Inflation Adjustment
2454 Act of 1990, as amended (28 U.S.C. § 2461 Note, P.L. 101-410), plus three times the amount of damages
2455 sustained by the Commonwealth.

2456 A person violating this section shall be liable to the Commonwealth for reasonable attorney fees and costs
2457 of a civil action brought to recover any such penalties or damages. All such fees and costs shall be paid to the
2458 Attorney General's Office by the defendant and shall not be included in any damages or civil penalties
2459 recovered in a civil action based on a violation of this section.

2460 B. If the court finds that (i) the person committing the violation of this section furnished officials of the
2461 Commonwealth responsible for investigating false claims violations with all information known to the person
2462 about the violation within 30 days after the date on which the defendant first obtained the information; (ii)
2463 such person fully cooperated with any Commonwealth investigation of such violation; (iii) at the time such
2464 person furnished the Commonwealth with the information about the violation, no criminal prosecution, civil
2465 action, or administrative action had commenced with respect to such violation; and (iv) the person did not
2466 have actual knowledge of the existence of an investigation into such violation, the court may assess not less

2467 than two times the amount of damages that the Commonwealth sustains because of the act of that person. A
2468 person violating this section shall also be liable to the Commonwealth for the costs of a civil action brought
2469 to recover any such penalty or damages.

2470 C. For purposes of this section, the terms "knowing" and "knowingly" mean that a person, with respect to
2471 information, (i) has actual knowledge of the information; (ii) acts in deliberate ignorance of the truth or
2472 falsity of the information; or (iii) acts in reckless disregard of the truth or falsity of the information and
2473 require no proof of specific intent to defraud.

2474 D. Except as provided in subdivision A 5, this section shall not apply to claims, records, or statements
2475 relating to state or local taxes.

2476 **§ 8.01-534. Grounds of action for pretrial levy or seizure of attachment.**

2477 A. It shall be sufficient ground for an action for pretrial levy or seizure or an attachment that the principal
2478 defendant or one of the principal defendants:

2479 1. Is a foreign corporation, or is not a resident of this Commonwealth, and has estate or has debts owing to
2480 such defendant within the county or city in which the attachment is, or that such defendant being a
2481 nonresident of this Commonwealth, is entitled to the benefit of any lien, legal or equitable, on property, real
2482 or personal, within the county or city in which the attachment is. The word "estate," as herein used, includes
2483 all rights or interests of a pecuniary nature which can be protected, enforced, or proceeded against in courts of
2484 law or equity;

2485 2. Is removing or is about to remove himself out of this Commonwealth with intent to change his
2486 domicile;

2487 3. Intends to remove, or is removing, or has removed the specific property sued for, or his own estate, or
2488 the proceeds of the sale of his property, or a material part of such estate or proceeds, out of this
2489 Commonwealth so that there will probably not be therein effects of such debtor sufficient to satisfy the claim
2490 when judgment is obtained therefor should only the ordinary process of law be used to obtain the judgment;

2491 4. Is converting, is about to convert or has converted his property of whatever kind, or some part thereof,
2492 into money, securities or evidences of debt with intent to hinder, delay, or defraud his creditors;

2493 5. Has assigned or disposed of or is about to assign or dispose of his estate, or some part thereof, with
2494 intent to hinder, delay or defraud his creditors;

2495 6. Has absconded or is about to abscond or has concealed or is about to conceal himself or his property to

2496 the injury of his creditors, or is a fugitive from justice;

2497 7. Has conducted, financed, managed, supervised, directed, sold, or owned a gambling device that is
2498 located in an unregulated location pursuant to § 18.2-331.1;

2499 8. Has violated any provision of law related to charitable gaming pursuant to ~~Article 1-1:1~~ (§ ~~18.2-340.15~~
2500 ~~et seq.~~) of Chapter ~~8~~ 2 (§ 29.5-200 et seq.) of Title ~~18.2~~ 29.5.

2501 The intent mentioned in subdivisions 4 and 5 may be stated either in the alternative or conjunctive.

2502 B. It shall be sufficient ground for an action for pretrial levy or seizure or an attachment if the specific
2503 personal property sought to be levied or seized:

2504 1. Will be sold, removed, secreted, or otherwise disposed of by the defendant, in violation of an obligation
2505 to the plaintiff, so as not to be forthcoming to answer the final judgment of the court respecting the same; or

2506 2. Will be destroyed, or materially damaged or injured if permitted to remain in the possession of the
2507 principal defendant or one of the principal defendants or other person or persons claiming under them.

2508 C. In an action for rent, it also shall be a sufficient ground if there is an immediate danger that the
2509 property subject to the landlord's lien for rent will be destroyed or concealed.

2510 **§ 11-16.1. Exemption from the chapter.**

2511 This chapter shall not apply to any bet, wager, or casino gaming permitted by Chapter ~~41~~ 3 (§ ~~58.1-4100~~
2512 29.5-300 et seq.) of Title ~~58.1~~ 29.5 or to any contract, conduct, or transaction arising from conduct lawful
2513 thereunder.

2514 **§ 11-16.2. Exemption; authorized sports betting.**

2515 This chapter shall not apply to any sports betting or related activity that is lawful under ~~Article 2~~ (§
2516 ~~58.1-4030 et seq.~~) of Chapter ~~40~~ 4 (§ 29.5-400 et seq.) of Title ~~58.1~~ 29.5.

2517 **§ 15.2-912.2. Proceeds exempt from local taxation.**

2518 No locality may impose a gross receipts, entertainment, admission, or any other tax based on revenues of
2519 qualified organizations derived from the conduct of charitable gaming.

2520 The definitions set forth in § ~~18.2-340.16~~ 29.5-200 shall apply to this section.

2521 **§ 15.2-2825. Smoking in restaurants prohibited; exceptions; posting of signs; penalty for violation.**

2522 A. Effective December 1, 2009, smoking shall be prohibited and no person shall smoke in any restaurant
2523 in the Commonwealth or in any restroom within such restaurant, except that smoking may be permitted in:

2524 1. Any place or operation that prepares or stores food for distribution to persons of the same business

2525 operation or of a related business operation for service to the public. Examples of such places or operations
2526 include the preparation or storage of food for catering services, pushcart operations, hotdog stands, and other
2527 mobile points of service;

2528 2. Any outdoor area of a restaurant, with or without roof covering, at such times when such outdoor area
2529 is not enclosed in whole or in part by any screened walls, roll-up doors, windows or other seasonal or
2530 temporary enclosures;

2531 3. Any restaurants located on the premises of any manufacturer of tobacco products;

2532 4. Any portion of a restaurant that is used exclusively for private functions, provided such functions are
2533 limited to those portions of the restaurant that meet the requirements of subdivision 5;

2534 5. Any portion of a restaurant that is constructed in such a manner that the area where smoking may be
2535 permitted is (i) structurally separated from the portion of the restaurant in which smoking is prohibited and to
2536 which ingress and egress is through a door and (ii) separately vented to prevent the recirculation of air from
2537 such area to the area of the restaurant where smoking is prohibited. At least one public entrance to the
2538 restaurant shall be into an area of the restaurant where smoking is prohibited. For the purposes of the
2539 preceding sentence, nothing shall be construed to require the creation of an additional public entrance in cases
2540 where the only public entrance to a restaurant in existence as of December 1, 2009, is through an outdoor area
2541 described in subdivision 2;

2542 6. Any private club; and

2543 7. Any portion of a facility licensed to conduct casino gaming pursuant to Chapter ~~41.3~~ (§ ~~58.1-4100~~
2544 ~~29.5-300~~ et seq.) of Title ~~58.1~~ 29.5 designated pursuant to the provisions of and that meets the requirements
2545 of § 15.2-2827. Any restaurant within a facility licensed to conduct casino gaming shall comply with the
2546 provisions of this section.

2547 B. For the purposes of this section:

2548 "Proprietor" means the owner, lessee, or other person who ultimately controls the activities within the
2549 restaurant. The term "proprietor" includes corporations, associations, or partnerships as well as individuals.

2550 "Structurally separated" means a stud wall covered with drywall or other building material or other like
2551 barrier, which, when completed, extends from the floor to the ceiling, resulting in a physically separated
2552 room. Such wall or barrier may include portions that are glass or other gas-impervious building material.

2553 C. No individual who is wait staff or bus staff in a restaurant shall be required by the proprietor to work in

2554 any area of the restaurant where smoking may be permitted without the consent of such individual. Nothing
2555 in this subsection shall be interpreted to create a cause of action against such proprietor.

2556 D. The proprietor of any restaurant shall:

2557 1. Post signs stating "No Smoking" or containing the international "No Smoking" symbol, consisting of a
2558 pictorial representation of a burning cigarette enclosed in a red circle with a bar across it, clearly and
2559 conspicuously in every restaurant where smoking is prohibited in accordance with this section; and

2560 2. Remove all ashtrays and other smoking paraphernalia from any area in the restaurant where smoking is
2561 prohibited in accordance with this section.

2562 E. Any proprietor of a restaurant who fails to comply with the requirements of this section shall be subject
2563 to the civil penalty of not more than \$25.

2564 F. No person shall smoke in any area of a restaurant in which smoking is prohibited as provided in this
2565 section. Any person who continues to smoke in such area after having been asked to refrain from smoking
2566 shall be subject to a civil penalty of not more than \$25.

2567 G. It shall be an affirmative defense to a complaint brought against a proprietor for a violation of this
2568 section that the proprietor or an employee of such proprietor:

2569 1. Posted a "No Smoking" sign as required;

2570 2. Removed all ashtrays and other smoking paraphernalia from all areas where smoking is prohibited;

2571 3. Refused to seat or serve any individual who was smoking in a prohibited area; and

2572 4. If the individual continued to smoke after an initial warning, asked the individual to leave the
2573 establishment.

2574 H. Civil penalties assessed under this section shall be paid into the Virginia Health Care Fund established
2575 under § 32.1-366.

2576 I. Any local health department or its designee shall, while inspecting a restaurant as otherwise required by
2577 law, inspect for compliance with this section.

2578 **§ 18.2-325. Definitions.**

2579 1. "Illegal gambling" means the making, placing, or receipt of any bet or wager in the Commonwealth of
2580 money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or other
2581 consideration or thing of value, dependent upon the result of any game, contest, or any other event the
2582 outcome of which is uncertain or a matter of chance, whether such game, contest, or event occurs or is to

2583 occur inside or outside the limits of the Commonwealth.

2584 For the purposes of this subdivision and notwithstanding any provision in this section to the contrary, the
2585 making, placing, or receipt of any bet or wager of money or other consideration or thing of value shall
2586 include the purchase of a product, Internet access, or other thing made in exchange for a chance to win a
2587 prize, stake, or other consideration or thing of value by means of the operation of a gambling device as
2588 described in subdivision 3 b, regardless of whether the chance to win such prize, stake, or other consideration
2589 or thing of value may be offered in the absence of a purchase.

2590 "Illegal gambling" also means the playing or offering for play of any skill game.

2591 2. "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or sale
2592 within the Commonwealth of any interest in a lottery of another state or country whether or not such interest
2593 is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such
2594 interest.

2595 3. "Gambling device" includes:

2596 a. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and other
2597 papers, which are actually used in an illegal gambling operation or activity;

2598 b. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic or
2599 video versions thereof, including but not limited to those dependent upon the insertion of a coin or other
2600 object for their operation, which operates, either completely automatically or with the aid of some physical
2601 act by the player or operator, in such a manner that, depending upon elements of chance, it may eject
2602 something of value or determine the prize or other thing of value to which the player is entitled, provided,
2603 however, that the return to the user of nothing more than additional chances or the right to use such machine
2604 is not deemed something of value within the meaning of this subsection; and provided further, that machines
2605 that only sell, or entitle the user to, items of merchandise of equivalent value that may differ from each other
2606 in composition, size, shape, or color, shall not be deemed gambling devices within the meaning of this
2607 subsection; and

2608 c. Skill games.

2609 Such devices are no less gambling devices if they indicate beforehand the definite result of one or more
2610 operations but not all the operations. Nor are they any less a gambling device because, apart from their use or
2611 adaptability as such, they may also sell or deliver something of value on a basis other than chance.

2612 4. "Operator" includes any person, firm, or association of persons, who conducts, finances, manages,
2613 supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.

2614 5. "Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.

2615 6. "Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine, or
2616 other device that requires the insertion of a coin, currency, ticket, token, or similar object to operate, activate,
2617 or play a game, the outcome of which is determined by any element of skill of the player and that may deliver
2618 or entitle the person playing or operating the device to receive cash or cash equivalents, gift cards, vouchers,
2619 billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents whether the payoff is
2620 made automatically from the device or manually. "Skill game" includes (i) a device that contains a meter or
2621 measurement device that records the number of free games or portions of games that are rewarded and (ii) a
2622 device designed or adapted to enable a person using the device to increase the chances of winning free games
2623 or portions of games by paying more than the amount that is ordinarily required to play the game. "Skill
2624 game" does not include any amusement device, as defined in § 18.2-334.6.

2625 7. "Unregulated location" means any location that is not regulated or operated by the Virginia Lottery or
2626 Virginia Lottery Board, ~~the Department of Agriculture and Consumer Services~~, the Virginia Alcoholic
2627 Beverage Control Authority, or the Virginia ~~Racing~~ Gaming Commission.

2628 **§ 18.2-326. Penalty for illegal gambling.**

2629 Except as otherwise provided in this article, any person who illegally gambles or engages in interstate
2630 gambling as defined in § 18.2-325 ~~shall be~~ is guilty of a Class 3 misdemeanor. If an association or pool of
2631 persons illegally gamble, each person therein ~~shall be~~ is guilty of illegal gambling.

2632 However, if any person makes, places, or receives any bet or wager of money or other thing of value on a
2633 horse race in the Commonwealth, whether the race is inside or outside the limits of the Commonwealth at any
2634 place or through any means other than (i) at a racetrack licensed by the Virginia ~~Racing~~ Gaming Commission
2635 pursuant to Chapter ~~29.6~~ (§ ~~59.1-364~~ 29.5-600 et seq.) of Title ~~59.1~~ 29.5 or (ii) at a satellite facility or
2636 through advance deposit account wagering, as those terms are defined in § ~~59.1-365~~ 29.5-601, licensed by the
2637 Virginia ~~Racing~~ Gaming Commission pursuant to Chapter ~~29.6~~ (§ ~~59.1-364~~ 29.5-600 et seq.) of Title ~~59.1~~
2638 29.5, such person ~~shall be~~ is guilty of a Class 1 misdemeanor. For the purposes of this paragraph, venue shall
2639 be in any county or city in which any act was performed in furtherance of any course of conduct constituting
2640 illegal gambling.

2641 § 18.2-334.2. Same; bingo games, raffles, duck races, and Texas Hold'em poker tournaments
2642 conducted by certain organizations.

2643 Nothing in this article shall apply to any bingo game, instant bingo, network bingo, raffle, duck race, or
2644 Texas Hold'em poker tournament conducted solely by organizations as defined in § ~~18.2-340.16~~ 29.5-200
2645 which have received a permit as set forth in § ~~18.2-340.25~~ 29.5-209, or which are exempt from the permit
2646 requirement under § ~~18.2-340.23~~ 29.5-206.

2647 § 18.2-334.3. Exemptions to article.

2648 Nothing in this article shall apply to:

2649 1. Any lottery conducted by the Commonwealth pursuant to ~~Article 1 Subtitle II~~ (§ ~~58.1-4000~~ 29.5-700 et
2650 seq.) of ~~Chapter 40~~ of Title ~~58.1~~ 29.5;

2651 2. Any sports betting or related activity that is lawful under ~~Article 2~~ (§ ~~58.1-4030~~ et seq.) of ~~Chapter 40.4~~
2652 (§ 29.5-400 et seq.) of Title ~~58.1~~ 29.5; or

2653 3. The placement or operation of or communication to and from data center equipment in the
2654 Commonwealth associated with the hosting of lottery games duly authorized by another state or jurisdiction
2655 and regulated and operated consistent with and exclusively for the benefit of such state or jurisdiction,
2656 provided that wagering on such games is legally authorized in such other state or jurisdiction and the
2657 individuals wagering on such games are required by the laws or regulations of such other state or jurisdiction
2658 to be physically located within the geographic bounds of such other state or jurisdiction at the time the wager
2659 is initiated or placed.

2660 § 18.2-334.4. Exemptions to article; pari-mutuel wagering.

2661 Nothing in this article shall be construed to make it illegal to participate in any race meeting or
2662 pari-mutuel wagering conducted in accordance with Chapter ~~29.6~~ (§ ~~59.1-364~~ 29.5-600 et seq.) of Title ~~59.1~~
2663 29.5.

2664 § 18.2-334.5. Exemptions to article; certain gaming operations.

2665 Nothing in this article shall be construed to make it illegal to participate in any casino gaming operation
2666 conducted in accordance with Chapter ~~41.3~~ (§ ~~58.1-4100~~ 29.5-300 et seq.) of Title ~~58.1~~ 29.5.

2667 § 19.2-66. When Attorney General or Chief Deputy Attorney General may apply for order
2668 authorizing interception of communications.

2669 A. The Attorney General or Chief Deputy Attorney General, if the Attorney General so designates in

2670 writing, in any case where the Attorney General is authorized by law to prosecute or pursuant to a request in
2671 his official capacity of an attorney for the Commonwealth in any city or county, may apply to a judge of
2672 competent jurisdiction for an order authorizing the interception of wire, electronic, or oral communications
2673 by the Department of State Police, when such interception may reasonably be expected to provide evidence
2674 of the commission of a felonious offense of extortion, bribery, kidnapping, murder, any felony violation of §
2675 18.2-248 or 18.2-248.1, ~~any felony violation of Chapter 29 (§ 59.1-364 et seq.) of Title 59.1~~, any felony
2676 violation of Article 2 (§ 18.2-38 et seq.), Article 2.1 (§ 18.2-46.1 et seq.), Article 2.2 (§ 18.2-46.4 et seq.),
2677 Article 5 (§ 18.2-58 et seq.), Article 6 (§ 18.2-59 et seq.), or any felonies that are not Class 6 felonies in
2678 Article 7 (§ 18.2-61 et seq.) of Chapter 4 of Title 18.2, any felony violation of Chapter 6 (§ 29.5-600 et seq.)
2679 of Title 29.5, or any conspiracy to commit any of the foregoing offenses. The Attorney General or Chief
2680 Deputy Attorney General may apply for authorization for the observation or monitoring of the interception by
2681 a police department of a county or city, by a sheriff's office, or by law-enforcement officers of the United
2682 States. Such application shall be made, and such order may be granted, in conformity with the provisions of §
2683 19.2-68.

2684 B. The application for an order under subsection B of § 19.2-68 shall be made as follows:

2685 1. In the case of an application for a wire or electronic interception, a judge of competent jurisdiction shall
2686 have the authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that
2687 an offense was committed, is being committed, or will be committed or the person or persons whose
2688 communications are to be intercepted live, work, subscribe to a wire or electronic communication system,
2689 maintain an address or a post office box, or are making the communication within the territorial jurisdiction
2690 of the court.

2691 2. In the case of an application for an oral intercept, a judge of competent jurisdiction shall have the
2692 authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that an
2693 offense was committed, is being committed, or will be committed or the physical location of the oral
2694 communication to be intercepted is within the territorial jurisdiction of the court.

2695 C. For the purposes of an order entered pursuant to subsection B of § 19.2-68 for the interception of a wire
2696 or electronic communication, such communication shall be deemed to be intercepted in the jurisdiction where
2697 the order is entered, regardless of the physical location or the method by which the communication is
2698 captured or routed to the monitoring location.

2699 § 19.2-215.1. Functions of a multi-jurisdiction grand jury.

2700 The functions of a multi-jurisdiction grand jury are:

2701 1. To investigate any condition that involves or tends to promote criminal violations of:

2702 a. Title 10.1 for which punishment as a felony is authorized;

2703 b. Section 13.1-520;

2704 c. Sections 18.2-47 and 18.2-48;

2705 d. Sections 18.2-111 and 18.2-112;

2706 e. Article 6 (§ 18.2-59 et seq.) of Chapter 4 of Title 18.2;

2707 f. Article 7.1 (§ 18.2-152.1 et seq.) of Chapter 5 of Title 18.2;

2708 g. Article 1 (§ 18.2-247 et seq.) and Article 1.1 (§ 18.2-265.1 et seq.) of Chapter 7 of Title 18.2;

2709 h. Article 1 (§ 18.2-325 et seq.) ~~and Article 1.1.1 (§ 18.2-340.15 et seq.)~~ of Chapter 8 of Title 18.2;

2710 ~~Chapter 29~~ and Chapters 2 (§ ~~59.1-364~~ 29.5-200 et seq.) and 6 (§ 29.5-600 et seq.) of Title ~~59.1~~ 29.5 or any

2711 other provision prohibiting, limiting, regulating, or otherwise affecting gaming or gambling activity;

2712 i. Section 18.2-434, when violations occur before a multi-jurisdiction grand jury;

2713 j. Article 2 (§ 18.2-438 et seq.) and Article 3 (§ 18.2-446 et seq.) of Chapter 10 of Title 18.2;

2714 k. Section 18.2-460 for which punishment as a felony is authorized;

2715 l. Article 1.1 (§ 18.2-498.1 et seq.) of Chapter 12 of Title 18.2;

2716 m. Article 1 (§ 32.1-310 et seq.) of Chapter 9 of Title 32.1;

2717 n. Chapter 4.2 (§ 59.1-68.6 et seq.) of Title 59.1;

2718 o. Article 9 (§ 3.2-6570 et seq.) of Chapter 65 of Title 3.2;

2719 p. Article 1 (§ 18.2-30 et seq.) of Chapter 4 of Title 18.2;

2720 q. Article 2.1 (§ 18.2-46.1 et seq.) and Article 2.2 (§ 18.2-46.4 et seq.) of Chapter 4 of Title 18.2;

2721 r. Article 5 (§ 18.2-186 et seq.) and Article 6 (§ 18.2-191 et seq.) of Chapter 6 of Title 18.2;

2722 s. Chapter 6.1 (§ 59.1-92.1 et seq.) of Title 59.1;

2723 t. Section 18.2-178 where the violation involves insurance fraud;

2724 u. Section 18.2-346.01, 18.2-348, or 18.2-349 for which punishment as a felony is authorized or §

2725 18.2-355, 18.2-356, 18.2-357, or 18.2-357.1;

2726 v. Article 9 (§ 18.2-246.1 et seq.) of Chapter 6 of Title 18.2;

2727 w. Article 2 (§ 18.2-38 et seq.) of Chapter 4 of Title 18.2;

- 2728 x. Malicious felonious assault and malicious bodily wounding under Article 4 (§ 18.2-51 et seq.) of
2729 Chapter 4 of Title 18.2;
- 2730 y. Article 5 (§ 18.2-58 et seq.) of Chapter 4 of Title 18.2;
- 2731 z. Felonious sexual assault under Article 7 (§ 18.2-61 et seq.) of Chapter 4 of Title 18.2;
- 2732 aa. Arson in violation of § 18.2-77 when the structure burned was occupied or a Class 3 felony violation
2733 of § 18.2-79;
- 2734 ab. Chapter 13 (§ 18.2-512 et seq.) of Title 18.2;
- 2735 ac. Section 18.2-246.14 and Chapter 10 (§ 58.1-1000 et seq.) of Title 58.1;
- 2736 ad. Subsection A or B of § 18.2-57 where the victim was selected because of his race, religious
2737 conviction, gender, disability, gender identity, sexual orientation, color, or *ethnic or* national origin;
- 2738 ae. Section 18.2-121 for which punishment as a felony is authorized;
- 2739 af. Article 5 (§ 18.2-420 et seq.) of Chapter 9 of Title 18.2;
- 2740 ag. §§ 18.2-178.1 and 18.2-178.2;
- 2741 ah. § 18.2-369; and
- 2742 ai. Any other provision of law when such condition is discovered in the course of an investigation that a
2743 multi-jurisdiction grand jury is otherwise authorized to undertake and to investigate any condition that
2744 involves or tends to promote any attempt, solicitation, or conspiracy to violate the laws enumerated in this
2745 section.
- 2746 2. To report evidence of any criminal offense enumerated in subdivision 1 and for which a court reporter
2747 has recorded all oral testimony as provided by § 19.2-215.9 to the attorney for the Commonwealth or United
2748 States attorney of any jurisdiction where such offense could be prosecuted or investigated, or to the chief
2749 law-enforcement officer of any jurisdiction where such offense could be prosecuted or investigated, or to a
2750 sworn investigator designated pursuant to § 19.2-215.6, or, when appropriate, to the Attorney General.
- 2751 3. To consider bills of indictment prepared by a special counsel to determine whether there is sufficient
2752 probable cause to return each such indictment as a "true bill." Only bills of indictment which allege an
2753 offense enumerated in subdivision 1 may be submitted to a multi-jurisdiction grand jury.
- 2754 4. The provisions of this section shall not abrogate the authority of an attorney for the Commonwealth in a
2755 particular jurisdiction to determine the course of a prosecution in that jurisdiction.
- 2756 **§ 19.2-389. Dissemination of criminal history record information.**

2757 A. Criminal history record information shall be disseminated, whether directly or through an intermediary,
2758 only to:

2759 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
2760 the administration of criminal justice and the screening of an employment application or review of
2761 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination
2762 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible
2763 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of §
2764 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this
2765 subdivision, criminal history record information includes information sent to the Central Criminal Records
2766 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee
2767 of the State Police, a police department or sheriff's office that is a part of or administered by the
2768 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection
2769 of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of
2770 the administration of criminal justice;

2771 2. Such other individuals and agencies that require criminal history record information to implement a
2772 state or federal statute or executive order of the President of the United States or Governor that expressly
2773 refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except
2774 that information concerning the arrest of an individual may not be disseminated to a noncriminal justice
2775 agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the
2776 charge has been recorded and no active prosecution of the charge is pending;

2777 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide
2778 services required for the administration of criminal justice pursuant to that agreement which shall specifically
2779 authorize access to data, limit the use of data to purposes for which given, and ensure the security and
2780 confidentiality of the data;

2781 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant
2782 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of
2783 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

2784 5. Agencies of state or federal government that are authorized by state or federal statute or executive order
2785 of the President of the United States or Governor to conduct investigations determining employment

2786 suitability or eligibility for security clearances allowing access to classified information;

2787 6. Individuals and agencies where authorized by court order or court rule;

2788 7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,
2789 operated or controlled by any political subdivision, and any public service corporation that operates a public
2790 transit system owned by a local government for the conduct of investigations of applicants for employment,
2791 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a
2792 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible
2793 with the nature of the employment, permit, or license under consideration;

2794 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
2795 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
2796 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
2797 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
2798 record would be compatible with the nature of the employment under consideration;

2799 8. Public or private agencies when authorized or required by federal or state law or interstate compact to
2800 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of
2801 that individual's household, with whom the agency is considering placing a child or from whom the agency is
2802 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis
2803 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further
2804 disseminated to any party other than a federal or state authority or court as may be required to comply with an
2805 express requirement of law;

2806 9. To the extent permitted by federal law or regulation, public service companies as defined in § 56-1, for
2807 the conduct of investigations of applicants for employment when such employment involves personal contact
2808 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the
2809 employment under consideration;

2810 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,
2811 including, but not limited to, issuing visas and passports;

2812 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at
2813 his cost, except that criminal history record information shall be supplied at no charge to a person who has
2814 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer

2815 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
2816 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
2817 offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in §
2818 15.2-1713.1;

2819 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
2820 agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative
2821 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
2822 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
2823 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
2824 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
2825 Services' representative or a federal or state authority or court as may be required to comply with an express
2826 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
2827 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
2828 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of §
2829 22.1-289.035 or § 22.1-289.039;

2830 13. The Department of Social Services for the purpose of screening individuals as a condition of licensure,
2831 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency
2832 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency
2833 pursuant to § 63.2-901.1;

2834 14. The school boards of the Commonwealth for the purpose of screening individuals who are offered or
2835 who accept public school employment and those current school board employees for whom a report of arrest
2836 has been made pursuant to § 19.2-83.1;

2837 15. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§
2838 ~~58.1-4000~~ 29.5-700 et seq.) and ~~casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.)~~ of Title 58.1,
2839 ~~and the Department of Agriculture and Consumer Services~~ *the Virginia Gaming Commission* for the conduct
2840 of investigations as set forth in ~~Article 1-1:1 (§ 18.2-340.15 et seq.)~~ of Chapter 8 of Title 18.2 *Chapters 2* (§
2841 *29.5-200 et seq.) and 6 (§ 29.5-600 et seq.) of Title 29.5;*

2842 16. Licensed nursing homes, hospitals and home care organizations for the conduct of investigations of
2843 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital

2844 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the
2845 limitations set out in subsection E;

2846 17. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of
2847 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers
2848 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

2849 18. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in §
2850 4.1-103.1;

2851 19. The State Board of Elections and authorized officers and employees thereof and general registrars
2852 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter
2853 registration, limited to any record of felony convictions;

2854 20. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
2855 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
2856 pursuant to §§ 19.2-168.1, 19.2-169.1, 19.2-169.2, 19.2-169.5, 19.2-169.6, 19.2-182.2, 19.2-182.3,
2857 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
2858 evaluation, treatment, or discharge planning;

2859 21. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
2860 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under §
2861 18.2-51.4, 18.2-266, or 18.2-266.1;

2862 22. Residential facilities for juveniles regulated or operated by the Department of Social Services, the
2863 Department of Education, or the Department of Behavioral Health and Developmental Services for the
2864 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

2865 23. The Department of Behavioral Health and Developmental Services and facilities operated by the
2866 Department for the purpose of determining an individual's fitness for employment pursuant to departmental
2867 instructions;

2868 24. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary
2869 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records
2870 information on behalf of such governing boards or administrators pursuant to a written agreement with the
2871 Department of State Police;

2872 25. Public institutions of higher education and nonprofit private institutions of higher education for the

2873 purpose of screening individuals who are offered or accept employment;

2874 26. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a
2875 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher
2876 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat
2877 to safety; however, no member of a threat assessment team shall redisclose any criminal history record
2878 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose
2879 that such disclosure was made to the threat assessment team;

2880 27. Executive directors of community services boards or the personnel director serving the community
2881 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored
2882 residential service provider, permission to enter into a shared living arrangement with a person receiving
2883 medical assistance services pursuant to a waiver, or permission for any person under contract with the
2884 community services board to serve in a direct care position on behalf of the community services board
2885 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

2886 28. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of
2887 determining an individual's fitness for employment, approval as a sponsored residential service provider,
2888 permission to enter into a shared living arrangement with a person receiving medical assistance services
2889 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
2890 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506, 37.2-506.1
2891 , and 37.2-607;

2892 29. The Commissioner of Social Services for the purpose of locating persons who owe child support or
2893 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name,
2894 address, demographics and social security number of the data subject shall be released;

2895 30. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of
2896 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose
2897 of determining if any applicant who accepts employment in any direct care position or requests approval as a
2898 sponsored residential service provider, permission to enter into a shared living arrangement with a person
2899 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with
2900 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have
2901 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or

2902 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

2903 31. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for
2904 and holders of a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et
2905 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

2906 32. The Chairman of the Senate Committee for Courts of Justice or the Chairman of the House Committee
2907 for Courts of Justice for the purpose of determining if any person being considered for election to any
2908 judgeship has been convicted of a crime;

2909 33. Heads of state agencies in which positions have been identified as sensitive for the purpose of
2910 determining an individual's fitness for employment in positions designated as sensitive under Department of
2911 Human Resource Management policies developed pursuant to § 2.2-1201.1;

2912 34. The Office of the Attorney General, for all criminal justice activities otherwise permitted under
2913 subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent
2914 Predators Act (§ 37.2-900 et seq.);

2915 35. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,
2916 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for
2917 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased
2918 laborers, and other visitors;

2919 36. Any employer of individuals whose employment requires that they enter the homes of others, for the
2920 purpose of screening individuals who apply for, are offered, or have accepted such employment;

2921 37. Public agencies when and as required by federal or state law to investigate (i) applicants as providers
2922 of adult foster care and home-based services or (ii) any individual with whom the agency is considering
2923 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the
2924 restriction that the data shall not be further disseminated by the agency to any party other than a federal or
2925 state authority or court as may be required to comply with an express requirement of law for such further
2926 dissemination, subject to limitations set out in subsection G;

2927 38. The Department of Medical Assistance Services, or its designee, for the purpose of screening
2928 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or
2929 have accepted a position related to the provision of transportation services to enrollees in the Medicaid
2930 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program

2931 administered by the Department of Medical Assistance Services;

2932 39. The State Corporation Commission for the purpose of investigating individuals who are current or
2933 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
2934 16 (§ 6.2-1600 et seq.), Chapter 19 (§ 6.2-1900 et seq.), or Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2.
2935 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
2936 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
2937 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
2938 or its designee;

2939 40. The Department of Professional and Occupational Regulation for the purpose of investigating
2940 individuals for initial licensure pursuant to § 54.1-2106.1;

2941 41. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision
2942 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the
2943 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et
2944 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

2945 42. Bail bondsmen, in accordance with the provisions of § 19.2-120;

2946 43. The State Treasurer for the purpose of determining whether a person receiving compensation for
2947 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

2948 44. The Department of Education or its agents or designees for the purpose of screening individuals
2949 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
2950 of child care services for which child care subsidy payments may be provided;

2951 45. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
2952 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
2953 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

2954 46. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
2955 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

2956 47. Administrators and board presidents of and applicants for licensure or registration as a child day
2957 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
2958 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
2959 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034

2960 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
2961 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
2962 a federal or state authority or court as may be required to comply with an express requirement of law for such
2963 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
2964 of Public Instruction's representative from issuing written certifications regarding the results of prior
2965 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

2966 48. The National Center for Missing and Exploited Children for the purpose of screening individuals who
2967 are offered or accept employment or will be providing volunteer or contractual services with the National
2968 Center for Missing and Exploited Children;

2969 49. The Executive Director or investigators of the Board of Accountancy for the purpose of the
2970 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

2971 50. Other entities as otherwise provided by law.

2972 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested
2973 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange
2974 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on
2975 whom a report has been made under the provisions of this chapter.

2976 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to
2977 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
2978 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy
2979 of conviction data covering the person named in the request to the person making the request; however, such
2980 person on whom the data is being obtained shall consent in writing, under oath, to the making of such
2981 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as
2982 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making
2983 the request shall be furnished at his cost a certification to that effect.

2984 B. Use of criminal history record information disseminated to noncriminal justice agencies under this
2985 section shall be limited to the purposes for which it was given and may not be disseminated further, except as
2986 otherwise provided in subdivision A 47.

2987 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history
2988 record information for employment or licensing inquiries except as provided by law.

2989 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
2990 prior to dissemination of any criminal history record information on offenses required to be reported to the
2991 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
2992 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
2993 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
2994 justice agency to whom a request has been made for the dissemination of criminal history record information
2995 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
2996 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
2997 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
2998 record as required by § 15.2-1722.

2999 E. Criminal history information provided to licensed nursing homes, hospitals and to home care
3000 organizations pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange for
3001 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

3002 F. Criminal history information provided to licensed assisted living facilities and licensed adult day
3003 centers pursuant to subdivision A 17 shall be limited to the convictions on file with the Exchange for any
3004 offense specified in § 63.2-1720.

3005 G. Criminal history information provided to public agencies pursuant to subdivision A 37 shall be limited
3006 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier
3007 crime in § 19.2-392.02.

3008 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal
3009 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the
3010 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the
3011 request to the employer or prospective employer making the request, provided that the person on whom the
3012 data is being obtained has consented in writing to the making of such request and has presented a photo-
3013 identification to the employer or prospective employer. In the event no conviction data is maintained on the
3014 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a
3015 certification to that effect. The criminal history record search shall be conducted on forms provided by the
3016 Exchange.

3017 I. Nothing in this section shall preclude the dissemination of a person's criminal history record

3018 information pursuant to the rules of court for obtaining discovery or for review by the court.

3019 § 19.2-390. Reports to be made by local law-enforcement officers, conservators of the peace, clerks
3020 of court, Secretary of the Commonwealth, and Corrections officials to State Police; material submitted
3021 by other agencies.

3022 A. 1. Every state official or agency having the power to arrest, the sheriffs of counties, the police officials
3023 of cities and towns, and any other local law-enforcement officer or conservator of the peace having the power
3024 to arrest for a felony shall make a report to the Central Criminal Records Exchange, on forms provided by it,
3025 of any arrest, including those arrests involving the taking into custody of, or service of process upon, any
3026 person on charges resulting from an indictment, presentment or information, the arrest on capias or warrant
3027 for failure to appear, and the service of a warrant for another jurisdiction, for each charge when any person is
3028 arrested on any of the following charges:

3029 a. Treason;

3030 b. Any felony;

3031 c. Any offense punishable as a misdemeanor under Title 54.1;

3032 d. Any misdemeanor punishable by confinement in jail (i) under Title 18.2 or 19.2, or any similar
3033 ordinance of any county, city or town, (ii) under § 20-61, or (iii) under § 16.1-253.2; or

3034 e. Any offense in violation of § 3.2-6570, 4.1-309.1, 5.1-13, 15.2-1612, 22.1-289.041, 29.5-808, 46.2-339,
3035 46.2-341.21, 46.2-341.24, 46.2-341.26:3, 46.2-817, 58.1-3141, ~~58.1-4018.1~~, 60.2-632, or 63.2-1509.

3036 The reports shall contain such information as is required by the Exchange and shall be accompanied by
3037 fingerprints of the individual arrested for each charge. Effective January 1, 2006, the corresponding
3038 photograph of the individual arrested shall accompany the report. Fingerprint cards prepared by a
3039 law-enforcement agency for inclusion in a national criminal justice file shall be forwarded to the Exchange
3040 for transmittal to the appropriate bureau. Nothing in this section shall preclude each local law-enforcement
3041 agency from maintaining its own separate photographic database. Fingerprints and photographs required to
3042 be taken pursuant to this subsection or subdivision A 3c of § 19.2-123 may be taken at the facility where the
3043 magistrate is located, including a regional jail, even if the accused is not committed to jail.

3044 Law-enforcement agencies and clerks of court shall only submit reports to the Central Criminal Records
3045 Exchange only for those offenses enumerated in this subsection. Only reports received for those offenses
3046 enumerated in this subsection shall be included in the Central Criminal Records Exchange.

3047 2. For persons arrested and released on summonses in accordance with subsection B of § 19.2-73 or §
3048 19.2-74, such report shall not be required until (i) a conviction is entered and no appeal is noted or if an
3049 appeal is noted, the conviction is upheld upon appeal or the person convicted withdraws his appeal; (ii) the
3050 court defers or dismisses the proceeding pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2; or (iii) an acquittal
3051 by reason of insanity pursuant to § 19.2-182.2 is entered. Upon such conviction or acquittal, the court shall
3052 remand the individual to the custody of the office of the chief law-enforcement officer of the county or city. It
3053 shall be the duty of the chief law-enforcement officer, or his designee who may be the arresting officer, to
3054 ensure that such report is completed for each charge after a determination of guilt or acquittal by reason of
3055 insanity. The court shall require the officer to complete the report immediately following the person's
3056 conviction or acquittal, and the individual shall be discharged from custody forthwith, unless the court has
3057 imposed a jail sentence to be served by him or ordered him committed to the custody of the Commissioner of
3058 Behavioral Health and Developmental Services.

3059 3. For persons arrested on a *capias* for any allegation of a violation of the terms or conditions of a
3060 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, a report
3061 shall be made to the Central Criminal Records Exchange pursuant to subdivision 1. Upon finding such person
3062 in violation of the terms or conditions of a suspended sentence or probation for such felony offense, the court
3063 shall order that the fingerprints and photograph of such person be taken by a law-enforcement officer for each
3064 such offense and submitted to the Central Criminal Records Exchange.

3065 4. For any person served with a show cause for any allegation of a violation of the terms or conditions of a
3066 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, such
3067 report to the Central Criminal Records Exchange shall not be required until such person is found to be in
3068 violation of the terms or conditions of a suspended sentence or probation for such felony offense. Upon
3069 finding such person in violation of the terms or conditions of a suspended sentence or probation for such
3070 felony offense, the court shall order that the fingerprints and photograph of such person be taken by a
3071 law-enforcement officer for each such offense and submitted to the Central Criminal Records Exchange.

3072 5. If the accused is in custody when an indictment or presentment is found or made, or information is
3073 filed, and no process is awarded, the attorney for the Commonwealth shall so notify the court of such at the
3074 time of first appearance for each indictment, presentment, or information for which a report is required upon
3075 arrest pursuant to subdivision 1, and the court shall order that the fingerprints and photograph of the accused

3076 be taken for each offense by a law-enforcement officer or by the agency that has custody of the accused at the
3077 time of first appearance. The law-enforcement officer or agency taking the fingerprints and photograph shall
3078 submit a report to the Central Criminal Records Exchange for each offense.

3079 B. Within 72 hours following the receipt of (i) a warrant or capias for the arrest of any person on a charge
3080 of a felony or (ii) a Governor's warrant of arrest of a person issued pursuant to § 19.2-92, the
3081 law-enforcement agency which received the warrant shall enter the person's name and other appropriate
3082 information required by the Department of State Police into the "information systems" known as the Virginia
3083 Criminal Information Network (VCIN), established and maintained by the Department pursuant to Chapter 2
3084 (§ 52-12 et seq.) of Title 52 and the National Crime Information Center (NCIC), maintained by the Federal
3085 Bureau of Investigation. The report shall include the person's name, date of birth, social security number and
3086 such other known information which the State Police or Federal Bureau of Investigation may require. Where
3087 feasible and practical, the magistrate or court issuing the warrant or capias may transfer information
3088 electronically into VCIN. When the information is electronically transferred to VCIN, the court or magistrate
3089 shall forthwith forward the warrant or capias to the local police department or sheriff's office. When criminal
3090 process has been ordered destroyed pursuant to § 19.2-76.1, the law-enforcement agency destroying such
3091 process shall ensure the removal of any information relating to the destroyed criminal process from the VCIN
3092 and NCIC.

3093 B1. Within 72 hours following the receipt of a written statement issued by a parole officer pursuant to §
3094 53.1-149 or 53.1-162 authorizing the arrest of a person who has violated the provisions of his post-release
3095 supervision or probation, the law-enforcement agency that received the written statement shall enter, or cause
3096 to be entered, the person's name and other appropriate information required by the Department of State Police
3097 into the "information systems" known as the Virginia Criminal Information Network (VCIN), established and
3098 maintained by the Department pursuant to Chapter 2 (§ 52-12 et seq.) of Title 52.

3099 C. For offenses not charged on a summons in accordance with subsection B of § 19.2-73 or § 19.2-74, the
3100 clerk of each circuit court and district court shall make an electronic report to the Central Criminal Records
3101 Exchange of (i) any dismissal, including a dismissal pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2,
3102 indefinite postponement or continuance, charge still pending due to mental incompetency or incapacity,
3103 deferral, nolle prosequi, acquittal, or conviction of, including any sentence imposed, or failure of a grand jury
3104 to return a true bill as to, any person charged with an offense listed in subsection A, including any action that

3105 may have resulted from an indictment, presentment or information, or any finding that the person is in
3106 violation of the terms or conditions of a suspended sentence or probation for a felony offense and (ii) any
3107 adjudication of delinquency based upon an act that, if committed by an adult, would require fingerprints to be
3108 filed pursuant to subsection A. For offenses listed in subsection A and charged on a summons in accordance
3109 with subsection B of § 19.2-73 or § 19.2-74, such electronic report by the clerk of each circuit court and
3110 district court to the Central Criminal Records Exchange may be submitted but shall not be required until (a) a
3111 conviction is entered and no appeal is noted or, if an appeal is noted, the conviction is upheld upon appeal or
3112 the person convicted withdraws his appeal; (b) the court defers or dismisses the proceeding pursuant to §
3113 18.2-57.3, 18.2-251, or 19.2-303.2; or (c) an acquittal by reason of insanity pursuant to § 19.2-182.2 is
3114 entered. The clerk of each circuit court shall make an electronic report to the Central Criminal Records
3115 Exchange of any finding that a person charged on a summons is in violation of the terms or conditions of a
3116 suspended sentence or probation for a felony offense. Upon conviction of any person, including juveniles
3117 tried and convicted in the circuit courts pursuant to § 16.1-269.1, whether sentenced as adults or juveniles, for
3118 an offense for which registration is required as defined in § 9.1-902, the clerk shall within seven days of
3119 sentencing submit a report to the Sex Offender and Crimes Against Minors Registry. The report to the
3120 Registry shall include the name of the person convicted and all aliases that he is known to have used, the date
3121 and locality of the conviction for which registration is required, his date of birth, social security number, and
3122 last known address, and specific reference to the offense for which he was convicted. No report of conviction
3123 or adjudication in a district court shall be filed unless the period allowed for an appeal has elapsed and no
3124 appeal has been perfected. In the event that the records in the office of any clerk show that any conviction or
3125 adjudication has been nullified in any manner, he shall also make a report of that fact to the Exchange and, if
3126 appropriate, to the Registry. In addition, each clerk of a circuit court, upon receipt of certification thereof
3127 from the Supreme Court, shall report to the Exchange or the Registry, or to the law-enforcement agency
3128 making the arrest in the case of offenses not required to be reported to the Exchange, on forms provided by
3129 the Exchange or Registry, as the case may be, any reversal or other amendment to a prior sentence or
3130 disposition previously reported. When criminal process is ordered destroyed pursuant to § 19.2-76.1, the
3131 clerk shall report such action to the law-enforcement agency that entered the warrant or capias into the VCIN.
3132 D. In addition to those offenses enumerated in subsection A, the Central Criminal Records Exchange may
3133 receive, classify, and file any other fingerprints, photographs, and records of confinement submitted to it by

3134 any correctional institution or the Department of Corrections. Unless otherwise prohibited by law, any such
3135 fingerprints, photographs, and records received by the Central Criminal Records Exchange from any
3136 correctional institution or the Department of Corrections may be classified and filed as criminal history
3137 record information.

3138 E. Corrections officials, sheriffs, and jail superintendents of regional jails, responsible for maintaining
3139 correctional status information, as required by the regulations of the Department of Criminal Justice Services,
3140 with respect to individuals about whom reports have been made under the provisions of this chapter shall
3141 make reports of changes in correctional status information to the Central Criminal Records Exchange. The
3142 reports to the Exchange shall include any commitment to or release or escape from a state or local
3143 correctional facility, including commitment to or release from a parole or probation agency.

3144 F. Any pardon, reprieve, or executive commutation of sentence by the Governor shall be reported to the
3145 Exchange by the office of the Secretary of the Commonwealth.

3146 G. Officials responsible for reporting disposition of charges, and correctional changes of status of
3147 individuals under this section, including those reports made to the Registry, shall adopt procedures
3148 reasonably designed at a minimum (i) to ensure that such reports are accurately made as soon as feasible by
3149 the most expeditious means and in no instance later than 30 days after occurrence of the disposition or
3150 correctional change of status and (ii) to report promptly any correction, deletion, or revision of the
3151 information.

3152 H. Upon receiving a correction, deletion, or revision of information, the Central Criminal Records
3153 Exchange shall notify all criminal justice agencies known to have previously received the information.

3154 I. As used in this section:

3155 "Chief law-enforcement officer" means the chief of police of cities and towns and sheriffs of counties,
3156 unless a political subdivision has otherwise designated its chief law-enforcement officer by appropriate
3157 resolution or ordinance, in which case the local designation shall be controlling.

3158 "Electronic report" means a report transmitted to, or otherwise forwarded to, the Central Criminal Records
3159 Exchange in an electronic format approved by the Exchange. The report shall contain the name of the person
3160 convicted and all aliases which he is known to have used, the date and locality of the conviction, his date of
3161 birth, social security number, last known address, and specific reference to the offense including the Virginia
3162 Code section and any subsection, the Virginia crime code for the offense, and the offense tracking number for

3163 the offense for which he was convicted.

3164 § 22.1-140.1. School Construction Fund and Program.

3165 A. For the purpose of this section:

3166 "Local school division" includes joint or regional schools established pursuant to § 22.1-26.

3167 "Public school buildings and facilities" or "public school buildings" includes any building or facility used
3168 for career and technical education programs provided at any regional comprehensive school established
3169 pursuant to § 22.1-26.

3170 B. There is hereby created in the state treasury a special nonreverting fund to be known as the School
3171 Construction Fund. The Fund shall be established on the books of the Comptroller. All funds appropriated for
3172 such purpose, including funds appropriated pursuant to subdivision B 5 of § ~~58.1-4125~~ 29.5-327, and any
3173 gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury
3174 and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.
3175 Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert
3176 to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of
3177 awarding grants pursuant to the School Construction Program established in subsection C. Expenditures and
3178 disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller
3179 upon written request signed by the president of the Board.

3180 C. There is hereby established the School Construction Program (the Program) for the purpose of
3181 awarding grants from the Fund to local school boards to fund the construction of new public school buildings
3182 or the renovation or expansion of existing public school buildings and facilities in the local school division.
3183 The Program shall be administered by the Board in accordance with criteria and other requirements set forth
3184 in the general appropriation act.

3185 TITLE 29.5.

3186 GAMING AND WAGERING.

3187 SUBTITLE I.

3188 VIRGINIA GAMING COMMISSION.

3189 CHAPTER 1.

3190 GENERAL PROVISIONS.

3191 § 29.5-100. Definitions.

3192 *As used in this subtitle, unless the context requires a different meaning:*

3193 "Board" means the Virginia Gaming Commission Board established pursuant to § 29.5-103.

3194 "Commission" means the Virginia Gaming Commission established pursuant to § 29.5-101.

3195 "Commissioner" means the Commissioner of the Virginia Gaming Commission appointed pursuant §
3196 29.5-102.

3197 "Executive Secretary" means the Executive Secretary of Racing and Deputy Commissioner of Gaming
3198 appointed pursuant to § 29.5-105.

3199 "Racing Commission" means the Virginia Racing Commission established pursuant to § 29.5-602.

3200 § 29.5-101. Virginia Gaming Commission established.

3201 Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any other
3202 provision of law, there is hereby established as an independent agency of the Commonwealth, exclusive of the
3203 legislative, executive, or judicial branches of government, the Virginia Gaming Commission, which shall
3204 include the (i) Virginia Racing Commission established pursuant to § 29.5-602, (ii) Charitable Gaming
3205 Advisory Board established pursuant to § 29.5-201, and (iii) Virginia Gaming Commission Board established
3206 pursuant to § 29.5-103 and a Commissioner appointed pursuant to § 29.5-102 for the purpose of overseeing
3207 all gaming regulatory operations in the Commonwealth, except as otherwise provided in Subtitle II (§
3208 29.5-700 et seq.).

3209 § 29.5-102. Commissioner appointed; salary; powers and duties.

3210 A. The Commission shall be under the immediate supervision and direction of a Commissioner, who shall
3211 be a person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough
3212 background investigation conducted by the Department of State Police prior to appointment. The
3213 Commissioner shall possess demonstrated experience and expertise in one or more of the following fields:
3214 law, finance, public policy, or management of a significant regulatory enterprise. The Commissioner shall be
3215 appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the members
3216 elected to each house of the General Assembly if in session when the appointment is made, and if not in
3217 session, then at its next succeeding session. The Commissioner shall receive a salary as provided in the
3218 general appropriation act.

3219 The Commissioner shall devote his full time to the performance of his official duties and shall not be
3220 engaged in any other profession or occupation.

3221 Before entering upon the discharge of his duties, the Commissioner shall take an oath that he will
3222 faithfully and honestly execute the duties of his office during his continuance therein and shall give bond in
3223 such amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The
3224 premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established
3225 pursuant to § 29.5-119.

3226 B. The Commissioner shall have the following powers and duties:

3227 1. Supervise and administer the operation of the Virginia Gaming Commission in accordance with the
3228 provisions of this subtitle and with the rules and regulations promulgated pursuant to this subtitle.

3229 2. Employ such (i) deputy commissioners; (ii) professional, technical, and clerical assistants; and (iii)
3230 other qualified personnel as may be required to carry out the functions and duties of the Commission,
3231 including (a) an Executive Secretary of Racing and Deputy Commissioner of Gaming, (b) a Deputy
3232 Commissioner of Gaming and Regulatory Oversight, (c) a Chief Operating Officer, and (d) in-house legal
3233 counsel, who shall work in coordination with any legal counsel appointed by the Office of the Attorney
3234 General.

3235 3. Act as secretary and executive officer of the Board.

3236 4. Require bond or other surety satisfactory to the Commissioner from Commission employees with access
3237 to Commission funds, in such amount as provided in the rules and regulations of the Board. The
3238 Commissioner may also require bond from other employees, as he deems necessary.

3239 5. Confer regularly, but not less than four times each year, with the Board on the operation and oversight
3240 of gaming activities regulated by the Commission; make available for inspection by the Board, upon request,
3241 all books, records, files, and other information and documents of the Commission; and advise the Board and
3242 recommend such matters as he deems necessary and advisable to improve the operation and oversight of
3243 gaming activities regulated by the Commission.

3244 6. Suspend, revoke, or refuse to renew any license, permit, or registration issued pursuant to this subtitle
3245 or the rules and regulations adopted pursuant to this subtitle.

3246 7. Enter into any arrangements with any foreign or domestic governmental agency for the purposes of
3247 exchanging information or performing any other act to better ensure the proper conduct of all gaming
3248 activities regulated by the Commission pursuant to this subtitle or the efficient conduct of the Commissioner's
3249 duties.

3250 8. Participate in the Problem Gambling Treatment and Support Advisory Committee established pursuant
3251 to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable collaboration
3252 among prevention and treatment providers and operators of legal gaming in the Commonwealth on efforts to
3253 reduce the negative effects of problem gambling.

3254 C. The Commissioner shall establish the following divisions within the Commission:

3255 1. A Problem Gambling Division for the purpose of coordinating with local, state, and national
3256 stakeholders to manage problem gambling research, prevention, recovery, and treatment efforts.

3257 2. An External Affairs and Policy Division for the purpose of communicating with relevant stakeholders in
3258 the Commonwealth and recommending gaming policy decisions and legislative proposals to the General
3259 Assembly.

3260 3. Any other division necessary to accomplish the goals of this subtitle.

3261 **§ 29.5-103. Virginia Gaming Commission Board established; membership; appointment; terms;**
3262 **compensation.**

3263 A. There is hereby created the Virginia Gaming Commission Board (the Board) within the Virginia
3264 Gaming Commission. The Board shall have a total membership of 11 members that shall consist of nine
3265 nonlegislative citizen members and two ex officio members. Members shall be appointed as follows: five
3266 nonlegislative citizen members, who shall be appointed by and serve at the pleasure of the Governor, subject
3267 to confirmation by a majority of the members elected to each house of the General Assembly if in session
3268 when the appointment is made, and if not in session, then at its next succeeding session; two nonlegislative
3269 citizen members appointed by the Speaker of the House of Delegates from a list of at least four nominees
3270 provided by the Chairman of the House Committee on General Laws; and two nonlegislative citizen members
3271 appointed by the Senate Committee on Rules from a list of at least four nominees provided by the Chairman
3272 of the Senate Committee on General Laws and Technology. Of the nonlegislative citizen members appointed
3273 by the Governor, at least one nonlegislative citizen member shall have experience in criminal investigations
3274 and law enforcement, and at least one nonlegislative citizen member shall be a certified public accountant
3275 authorized to practice in the Commonwealth or have experience in corporate finance and securities. A
3276 current member of the Virginia Racing Commission and the Executive Secretary of Racing and Deputy
3277 Commissioner of Gaming, or his designee, shall serve ex officio with nonvoting privileges. Nonlegislative
3278 citizen members of the Board shall be individuals of good reputation, particularly as to honesty and integrity.

3279 and shall be citizens of the Commonwealth. Consideration shall be given with respect to the political
3280 affiliation and the geographic residence of the nonlegislative citizen members prior to their appointment.

3281 B. Ex officio members of the Board shall serve terms coincident with their terms of office. Appointments to
3282 fill vacancies, other than by expiration of a term, shall be for the unexpired terms. Vacancies shall be filled in
3283 the same manner as the original appointments. All members may be reappointed.

3284 C. After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of
3285 five years. No nonlegislative citizen member shall serve more than two consecutive five-year terms. The
3286 remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in
3287 determining the member's eligibility for reappointment.

3288 D. The Board shall elect a chairman and vice-chairman from among its membership. A majority of the
3289 members shall constitute a quorum. The meetings of the Board shall be held at the call of the chairman or
3290 whenever the majority of the members so request.

3291 E. Members shall receive such compensation for the performance of their duties as provided in § 2.2-2813
3292 . All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of
3293 their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation and expenses of
3294 the members shall be provided by the Virginia Gaming Commission.

3295 F. Before entering upon the discharge of their duties, members shall take an oath that they will faithfully
3296 and honestly execute the duties of the office during their continuance therein and shall give bond in such
3297 amount as may be fixed by the Governor, conditioned upon the faithful discharge of their duties. The
3298 premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established
3299 pursuant to § 29.5-119.

3300 G. No member shall:

3301 1. Have any direct or indirect financial, ownership, or management interest in any gaming activities
3302 regulated by the Commission or any agency of the Commonwealth.

3303 2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated
3304 by the Commission or any agency of the Commonwealth.

3305 3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any
3306 gaming activity, or the provision of independent consulting services in connection with any gaming
3307 establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.

3308 § 29.5-104. Powers and duties of the Board.

3309 A. The Board shall have the power to (i) promulgate regulations governing the establishment and
3310 operation of charitable gaming, casino gaming, sports betting, and fantasy contests pursuant to Chapter 2 (§
3311 29.5-200 et seq.) and (ii) oversee the promulgation of regulations governing live horse racing, historical
3312 horse racing, and simulcast horse racing with pari-mutuel wagering pursuant to the provisions of Chapter 6
3313 (§ 29.5-600 et seq.). Such regulations shall be promulgated in accordance with the Administrative Process
3314 Act (§ 2.2-4000 et seq.). The regulations shall provide for all matters necessary or desirable for the efficient,
3315 honest, and economical operation and administration of all forms of gaming regulated by the Board.

3316 B. The Board shall also exercise the following powers and duties, and such others as may be provided by
3317 law:

3318 1. Administer a voluntary exclusion program as provided in § 29.5-118.

3319 2. Establish a consumer protection program and publish a consumer protection bill of rights. Such
3320 program and bill of rights shall include measures to protect sports bettors, as defined in § 29.5-400, with
3321 respect to identity, funds and accounts, consumer complaints, self-exclusion, and any other consumer
3322 protection measure the Board determines to be reasonable.

3323 3. Adjust the percentage of uncollectible gaming receivables allowed to be subtracted from adjusted gross
3324 revenue, as defined in § 29.5-400, if it determines that a different percentage is reasonable and customary in
3325 the sports betting industry.

3326 4. Hear and decide an appeal of any (i) penalty, (ii) denial of a permit or renewal, or (iii) suspension or
3327 revocation of a permit imposed by the Commissioner pursuant to Chapter 4 (§ 29.5-400 et seq.).

3328 5. Promulgate regulations for the operation of a sports betting program under the direction of the
3329 Commissioner, who shall allow applicants to apply for permits to engage in sports betting operations in the
3330 Commonwealth. The Commission shall not operate a sports betting platform or a sports betting facility.

3331 6. Partner with law-enforcement authorities, including the Office of the Attorney General and the Office
3332 of the Gaming Enforcement Coordinator in the Department of State Police, to address instances of illegal
3333 gaming activities in the Commonwealth.

3334 C. The Board shall make policy and legislative recommendations to the Governor and General Assembly
3335 related to (i) the regulation of existing legal gaming and wagering, (ii) the expansion of new gaming types,
3336 and (iii) the eradication of illegal gaming activity in the Commonwealth.

3337 § 29.5-105. Executive Secretary of Racing and Deputy Commissioner of Gaming; powers and duties.

3338 A. The Executive Secretary of Racing and Deputy Commissioner of Gaming shall have the following
3339 powers and duties:

3340 1. Appoint stewards pursuant to § 29.5-605, with the advice of, in consultation with, and with the consent
3341 of the Virginia Racing Commission.

3342 2. Keep a true and full record of all proceedings of the Racing Commission and preserve at the Virginia
3343 Gaming Commission's general office all books, documents, and papers of the Racing Commission.

3344 3. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the
3345 Board or as may be conferred or imposed upon him by law.

3346 B. Neither the Executive Secretary nor his spouse nor any member of his immediate family shall make any
3347 contributions to a candidate for office or office holder at the local or state level, or cause such a contribution
3348 to be made on his behalf.

3349 § 29.5-106. Deputy Commissioner of Gaming and Regulatory Oversight; powers and duties.

3350 A. The Deputy Commissioner of Gaming and Regulatory Oversight shall have the following powers and
3351 duties:

3352 1. Oversee regulation of all gaming activities authorized pursuant to this subtitle;

3353 2. Manage a gaming compliance and audit division for the Commission;

3354 3. Assume responsibility for all gaming licensing and permitting and related investigations;

3355 4. Oversee electronic gaming operations authorized pursuant to this subtitle;

3356 5. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the
3357 Board or as may be conferred or imposed upon him by law.

3358 B. Neither the Deputy Commissioner of Gaming and Regulatory Oversight nor his spouse nor any
3359 member of his immediate family shall make any contributions to a candidate for office or office holder at the
3360 local or state level, or cause such a contribution to be made on his behalf.

3361 § 29.5-107. Chief Operating Officer; powers and duties.

3362 A. The Chief Operating Officer shall have the following powers and duties:

3363 1. Oversee and manage human resources, information technology systems, facilities and security, finance
3364 and accounting, purchasing, and internal auditing departments within the Commission; and

3365 2. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the

3366 Board or as may be conferred or imposed upon him by law.

3367 B. Neither the Chief Operating Officer nor his spouse nor any member of his immediate family shall make
3368 any contributions to a candidate for office or office holder at the local or state level, or cause such a
3369 contribution to be made on his behalf.

3370 **§ 29.5-108. Financial interests of Board, employees, and family members prohibited.**

3371 A. No Board member or employee of the Commission shall (i) be a principal stockholder or (ii) otherwise
3372 have any financial interest, direct or indirect, in any licensee or permit holder subject to the provisions of this
3373 subtitle. No Board member and no spouse or immediate family member of a Board member shall make any
3374 contribution to a candidate for office or officeholder at the local or state level or cause such a contribution to
3375 be made on his behalf.

3376 B. No employee of the Commission and no spouse or immediate family member of a Board member shall:

3377 1. Have any direct or indirect financial, ownership, or management interest in any gaming activities
3378 regulated by the Commission or any agency of the Commonwealth.

3379 2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated
3380 by the Commission or any agency of the Commonwealth.

3381 3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any
3382 gaming activity, or the provision of independent consulting services in connection with any gaming
3383 establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.

3384 **§ 29.5-109. Leases and purchases of property by the Board.**

3385 The making of leases and the purchasing of real estate by the Board under the provisions of this subtitle
3386 are exempt from the Virginia Public Procurement Act (§ 2.2-4300 et seq.). The Commission shall be exempt
3387 from the provisions of § 2.2-1149 and from any rules, regulations, and guidelines of the Division of
3388 Engineering and Buildings of the Department of General Services in relation to leases of real property into
3389 which it enters.

3390 **§ 29.5-110. Exemption of Commission from personnel and procurement procedures; information**
3391 **systems; etc.**

3392 A. The provisions of the Virginia Personnel Act (§ 2.2-2900 et seq.) and the Virginia Public Procurement
3393 Act (§ 2.2-4300 et seq.) shall not apply to the Commission in the exercise of any power conferred under this
3394 subtitle, nor shall the provisions of Chapter 20.1 (§ 2.2-2005 et seq.) of Title 2.2 or Article 2 (§ 51.1-1104 et

3395 seq.) of Chapter 11 of Title 51.1 apply to the Commission in the exercise of any power conferred under this
3396 subtitle.

3397 B. To effect its implementation, the Commission's procurement of goods, services, insurance, and
3398 construction and the disposition of surplus materials shall be exempt from:

3399 1. State agency requirements regarding disposition of surplus materials and distribution of proceeds from
3400 the sale or recycling of surplus materials under §§ 2.2-1124 and 2.2-1125;

3401 2. The requirement to purchase from the Department for the Blind and Vision Impaired under § 2.2-1117;
3402 and

3403 3. Any other state statutes, rules, regulations, or requirements relating to the procurement of goods,
3404 services, insurance, and construction, including Article 3 (§ 2.2-1109 et seq.) of Chapter 11 of Title 2.2,
3405 regarding the duties, responsibilities, and authority of the Division of Purchases and Supply of the
3406 Department of General Services, and Article 4 (§ 2.2-1129 et seq.) of Chapter 11 of Title 2.2, regarding the
3407 review and the oversight by the Division of Engineering and Buildings of the Department of General Services
3408 of contracts for the construction of the Commission's capital projects and construction-related professional
3409 services under § 2.2-1132.

3410 C. The Commission (i) may purchase from and participate in all statewide contracts for goods and
3411 services, including information technology goods and services; (ii) shall use directly or by integration or
3412 interface the Commonwealth's electronic procurement system subject to the terms and conditions agreed
3413 upon between the Commission and the Department of General Services; and (iii) shall post on the
3414 Department of General Services' central electronic procurement website all Invitations to Bid, Requests for
3415 Proposal, sole source award notices, and emergency award notices to ensure visibility and access to the
3416 Commission's procurement opportunities on one website.

3417 **§ 29.5-111. Assistance from Department of State Police.**

3418 The Department of State Police shall assist in the conduct of investigations by the Commission.

3419 **§ 29.5-112. Criminal history records check required on certain employees; reimbursement of costs.**

3420 All persons hired by the Commission whose job duties involve access to or handling of the Commission's
3421 funds shall be subject to a criminal history records check before, and as a condition of, employment.

3422 The Board shall develop policies regarding the employment of persons who have been convicted of a
3423 felony or a crime involving moral turpitude.

3424 The Department of State Police shall be reimbursed by the Commission for the cost of investigations
3425 conducted pursuant to this section.

3426 **§ 29.5-113. Employees of the Commission.**

3427 Employees of the Commission shall be considered employees of the Commonwealth. Employees of the
3428 Commission shall be eligible for membership in the Virginia Retirement System or other retirement plan as
3429 authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 and participation in all health and
3430 related insurance and other benefits, including premium conversion and flexible benefits, available to state
3431 employees as provided by law. Employees of the Commission shall be employed on such terms and conditions
3432 as established by the Board. The Board shall develop and adopt policies and procedures that afford its
3433 employees grievance rights, ensure that employment decisions shall be based upon the merit and fitness of
3434 applicants, and prohibit discrimination because of race, color, religion, ethnic or national origin, sex,
3435 pregnancy, childbirth or related medical conditions, age, marital status, sexual orientation, gender identity,
3436 military status, or disability. Notwithstanding any other provision of law, the Board shall develop, implement,
3437 and administer a paid leave program, which may include annual, personal, and sick leave or any
3438 combination thereof. All other leave benefits shall be administered in accordance with Chapter 11 (§
3439 51.1-1100 et seq.) of Title 51.1, except as otherwise provided in this section.

3440 **§ 29.5-114. Liability of Board members; suits by and against Board members.**

3441 A. No Board member may be sued civilly for doing or omitting to do any act in the performance of his
3442 duties as prescribed by this subtitle, except by the Commonwealth, and then only in the Circuit Court of the
3443 City of Richmond. Such proceedings by the Commonwealth shall be instituted and conducted by the Attorney
3444 General.

3445 B. The Board may, in the name of the Commonwealth, be sued in the Circuit Court of the City of
3446 Richmond to enforce any contract made by it or to recover damages for any breach thereof. The Board may
3447 defend the proceedings and may institute proceedings in any court. No such proceedings shall be taken
3448 against, or in the names of, the members of the Board.

3449 **§ 29.5-115. Counsel for members, agents, and employees of Board.**

3450 If any member, agent, or employee of the Board is arrested, indicted, or otherwise prosecuted on any
3451 charge arising out of any act committed in the discharge of his official duties, the Board chairman may
3452 employ special counsel approved by the Attorney General to defend such member, agent, or employee. The

3453 compensation for special counsel employed pursuant to this section shall, subject to the approval of the
3454 Attorney General, be paid in the same manner as other expenses incident to the administration of this subtitle
3455 are paid.

3456 **§ 29.5-116. Hearings; representation by counsel.**

3457 Any licensee, permittee, registrant, or applicant for a license, permit, or registration authorized by this
3458 subtitle shall have the right to be represented by counsel at any Board hearing for which he has received
3459 notice. The licensee, permittee, registrant, or applicant shall not be required to be represented by counsel
3460 during such hearing. Any officer or director of a corporation may examine, cross-examine, and question
3461 witnesses, present evidence on behalf of the corporation, and draw conclusions and make arguments before
3462 the Board or hearing officers without being in violation of the provisions of § 54.1-3904.

3463 **§ 29.5-117. Hearings; allowances to witnesses.**

3464 Witnesses subpoenaed to appear on behalf of the Board shall be entitled to the same allowance for
3465 expenses as witnesses for the Commonwealth in criminal cases in accordance with § 17.1-611. Such
3466 allowances shall be paid out of the fund from which other costs incurred by the Board are paid upon
3467 certification to the Comptroller.

3468 **§ 29.5-118. Voluntary exclusion program.**

3469 The Board shall adopt regulations to establish and implement a voluntary exclusion program.

3470 The regulations shall include the following provisions:

3471 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
3472 program agrees to refrain from (i) participating in charitable gaming, as defined in § 29.5-200; (ii) engaging
3473 in any form of casino gaming authorized under the provisions of Chapter 3 (§ 29.5-300 et seq.); (iii)
3474 participating in sports betting, as defined in § 29.5-400; (iv) participating in fantasy contests, as defined in §
3475 29.5-500; (v) participating in pari-mutuel wagering on live horse racing, historical horse racing, or
3476 simulcast horse racing authorized pursuant to the provisions of Chapter 6 (§ 29.5-600 et seq.); or (vi)
3477 playing any account-based lottery game authorized under the provisions of Subtitle II (§ 29.5-700 et seq.).
3478 Any state agency, at the request of the Commission, shall assist in administering the voluntary exclusion
3479 program pursuant to the provisions of this section.

3480 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
3481 years, five years, or lifetime.

3482 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
3483 program may not petition the Board for removal from the voluntary exclusion program for the duration of his
3484 exclusion period.

3485 4. The name of a person participating in the voluntary exclusion program shall be included on a list of
3486 excluded persons. The list of persons entering the voluntary exclusion program and the personal information
3487 of the participants shall be confidential, with dissemination by the Board limited to any parties the Board
3488 deems necessary for purposes of enforcement. The list and the personal information of participants in the
3489 voluntary exclusion program shall not be subject to disclosure under the Virginia Freedom of Information
3490 Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to other parties upon request by the
3491 participant and agreement by the Board.

3492 5. Permit holders, as defined in § 29.5-400, and owners and operators of casino gaming establishments
3493 shall make all reasonable attempts as determined by the Board to cease all direct marketing efforts to a
3494 person participating in the voluntary exclusion program. The voluntary exclusion program shall not preclude
3495 permit holders or owners and operators of casino gaming establishments from seeking the payment of a debt
3496 incurred by a person before entering the voluntary exclusion program. In addition, any permit holder or
3497 owner or operator of a casino gaming establishment may share the names of individuals who self-exclude
3498 across its corporate enterprise, including sharing such information with any of its affiliates.

3499 **§ 29.5-119. Commonwealth Gaming Operations Fund.**

3500 There is hereby created in the state treasury a special nonreverting fund to be known as the
3501 Commonwealth Gaming Operations Fund, referred to in this section as "the Fund." The Fund shall be
3502 established on the books of the Comptroller. All funds appropriated for such purpose and any gifts,
3503 donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and
3504 credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.
3505 Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert
3506 to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely to offset the
3507 Commission's costs associated with (i) the conduct of investigations required pursuant to any provision of
3508 this subtitle and (ii) the enforcement of regulations promulgated by the Virginia Gaming Commission Board
3509 pursuant to § 29.5-104. Expenditures and disbursements from the Fund shall be made by the State Treasurer
3510 on warrants issued by the Comptroller upon written request signed by the Commissioner.

3511 CHAPTER 2.

3512 CHARITABLE GAMING.

3513 § 29.5-200. Definitions.

3514 As used in this chapter, unless the context requires a different meaning:

3515 "Bingo" means a specific game of chance played with (i) individual cards having randomly numbered
3516 squares ranging from one to 75, (ii) Board-approved electronic devices that display facsimiles of bingo cards
3517 and are used for the purpose of marking and monitoring players' cards as numbers are called, or (iii)
3518 Board-approved cards, in which prizes are awarded on the basis of designated numbers on such cards
3519 conforming to a predetermined pattern of numbers selected at random.

3520 "Bona fide member" means an individual who participates in activities of a qualified organization other
3521 than such organization's charitable gaming activities.

3522 "Charitable gaming" or "charitable games" means those raffles, Texas Hold'em poker tournaments, and
3523 games of chance explicitly authorized by this chapter. Unless otherwise specified, "charitable gaming"
3524 includes electronic gaming authorized by this chapter.

3525 "Charitable gaming permit" or "permit" means a permit issued by the Commissioner to an organization
3526 that authorizes such organization to conduct charitable gaming, and if such organization is qualified as a
3527 social organization, electronic gaming.

3528 "Charitable gaming supplies" includes bingo cards or sheets, devices for selecting bingo numbers, instant
3529 bingo cards, pull-tab cards and seal cards, playing cards for Texas Hold'em poker, poker chips, and any
3530 other equipment or product manufactured for or intended to be used in the conduct of charitable games.
3531 However, for the purposes of this chapter, charitable gaming supplies shall not include items incidental to
3532 the conduct of charitable gaming such as markers, wands, or tape.

3533 "Conduct" means the actions associated with the provision of a gaming operation during and immediately
3534 before or after the permitted activity, which may include (i) selling bingo cards or packs, electronic devices,
3535 instant bingo or pull-tab cards, or raffle tickets, (ii) calling bingo games, (iii) distributing prizes, and (iv) any
3536 other services provided by volunteer workers.

3537 "Electronic gaming" or "electronic games" means any instant bingo, pull tab, or seal card gaming that is
3538 conducted primarily by use of an electronic device. "Electronic gaming" does not include (i) the game of
3539 chance identified in clause (ii) of the definition of "bingo" or (ii) network bingo.

3540 "Electronic gaming adjusted gross receipts" means the gross receipts derived from electronic gaming less
3541 the total amount in prize money paid out to players.

3542 "Electronic gaming manufacturer" means a manufacturer of electronic devices used to conduct electronic
3543 gaming.

3544 "Fair market rental value" means the rent that a rental property will bring when offered for lease by a
3545 lessor who desires to lease the property but is not obligated to do so and leased by a lessee under no
3546 necessity of leasing.

3547 "Gaming expenses" means prizes, supplies, costs of publicizing gaming activities, audit and
3548 administration or permit fees, and a portion of the rent, utilities, accounting and legal fees, and such other
3549 reasonable and proper expenses as are directly incurred for the conduct of charitable gaming.

3550 "Gross receipts" means the total amount of money generated by an organization from charitable gaming
3551 before the deduction of expenses, including prizes.

3552 "Instant bingo," "pull tabs," or "seal cards" means specific games of chance played by the random
3553 selection of one or more individually prepacked cards with winners being determined by the preprinted or
3554 predetermined appearance of concealed letters, numbers, or symbols that must be exposed by the player to
3555 determine wins and losses and may include the use of a seal card that conceals one or more numbers or
3556 symbols that have been designated in advance as prize winners. Such cards may be dispensed by mechanical
3557 equipment.

3558 "Jackpot" means a bingo game that the organization has designated on its game program as a jackpot
3559 game in which the prize amount is greater than \$100.

3560 "Landlord" means any person or his agent, firm, association, organization, partnership, or corporation,
3561 employee, or immediate family member thereof, that owns and leases, or leases any premises devoted in
3562 whole or in part to the conduct of bingo games or other charitable gaming pursuant to this chapter, and any
3563 person residing in the same household as a landlord.

3564 "Management" means the provision of oversight of a gaming operation, which may include the
3565 responsibilities of applying for and maintaining a permit or authorization, compiling, submitting, and
3566 maintaining required records and financial reports, and ensuring that all aspects of the operation are in
3567 compliance with all applicable statutes and regulations.

3568 "Network bingo" means a specific bingo game in which pari-mutuel play is permitted.

3569 "Network bingo provider" means a person licensed by the Commissioner to operate network bingo.

3570 "Operation" means the activities associated with production of a charitable gaming or electronic gaming
3571 activity, which may include (i) the direct on-site supervision of the conduct of charitable gaming and
3572 electronic gaming; (ii) coordination of volunteers; and (iii) all responsibilities of charitable gaming and
3573 electronic gaming designated by the organization's management.

3574 "Organization" means any one of the following:

3575 1. A volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof
3576 that has been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political
3577 subdivision where the volunteer fire department or volunteer emergency medical services agency is located
3578 as being a part of the safety program of such political subdivision;

3579 2. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code,
3580 is operated, and has always been operated, exclusively for educational purposes, and awards scholarships to
3581 accredited public institutions of higher education or other postsecondary schools licensed or certified by the
3582 Board of Education or the State Council of Higher Education for Virginia;

3583 3. An athletic association or booster club or a band booster club established solely to raise funds for
3584 school-sponsored athletic or band activities for a public school or private school accredited pursuant to §
3585 22.1-19 or to provide scholarships to students attending such school;

3586 4. An association of war veterans or auxiliary units thereof organized in the United States;

3587 5. A fraternal association or corporation operating under the lodge system;

3588 6. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
3589 and is operated, and has always been operated, exclusively to provide services and other resources to older
3590 Virginians, as defined in § 51.5-116;

3591 7. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
3592 and is operated, and has always been operated, exclusively to foster youth amateur sports;

3593 8. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
3594 and is operated, and has always been operated, exclusively to provide health care services or conduct
3595 medical research;

3596 9. An accredited public institution of higher education or other postsecondary school licensed or certified
3597 by the Board of Education or the State Council of Higher Education for Virginia that is exempt from income

3598 tax pursuant to § 501(c)(3) of the Internal Revenue Code;

3599 10. A church or religious organization that is exempt from income tax pursuant to § 501(c)(3) of the
3600 Internal Revenue Code;

3601 11. An organization that is exempt from income tax pursuant to § 501(c)(3) or 501(c)(4) of the Internal
3602 Revenue Code and is operated, and has always been operated, exclusively to (i) create and foster a spirit of
3603 understanding among the people of the world; (ii) promote the principles of good government and
3604 citizenship; (iii) take an active interest in the civic, cultural, social, and moral welfare of the community; (iv)
3605 provide a forum for the open discussion of matters of public interest; (v) encourage individuals to serve the
3606 community without personal financial reward; and (vi) encourage efficiency and promote high ethical
3607 standards in commerce, industries, professions, public works, and private endeavors;

3608 12. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
3609 and is operated, and has always been operated, exclusively to (i) raise awareness of law-enforcement officers
3610 who died in the line of duty; (ii) raise funds for the National Law Enforcement Officers Memorial and
3611 Museum; and (iii) raise funds for the charitable causes of other organizations that are exempt from income
3612 tax pursuant to § 501(c)(3) of the Internal Revenue Code;

3613 13. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
3614 and is operated, and has always been operated, exclusively to (i) promote the conservation of the
3615 environment, caves, or other natural resources; (ii) promote or develop opportunities for the use of science
3616 and technology to advance the conservation of the environment, caves, or other natural resources; and (iii)
3617 raise funds for the conservation of the environment, caves, or other natural resources or provide grant
3618 opportunities to other nonprofit organizations that are devoted to such conservation efforts;

3619 14. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
3620 that manages a museum that is operated, and has always been operated, exclusively for the purposes of
3621 musical heritage and the legacy of the "1927 Bristol Sessions";

3622 15. An organization (i) established on or before December 31, 1963, as a result of its members being
3623 prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of
3624 1926, which required the racial segregation of all public events in the Commonwealth; (ii) that is exempt
3625 from income tax pursuant to § 501(c)(7) of the Internal Revenue Code; and (iii) that is operated, and has
3626 always been operated, for community awareness and action through educational, economic, and cultural

3627 service activities:

3628 16. An organization established on or before December 31, 1977, that is exempt from income tax pursuant
3629 to § 501(c)(7) of the Internal Revenue Code and is incorporated, in part, to raise funds for donation to
3630 organizations whose missions include promoting early detection of and public education about and
3631 supporting research and treatment options for heart disease and various cancers;

3632 17. A local chamber of commerce; or

3633 18. Any other nonprofit organization that is exempt from income tax pursuant to § 501(c) of the Internal
3634 Revenue Code and that raises funds by conducting raffles, bingo, instant bingo, pull tabs, or seal cards that
3635 generate annual gross receipts of \$40,000 or less, provided that such gross receipts, less expenses and prizes,
3636 are used exclusively for charitable, educational, religious, or community purposes. Notwithstanding §
3637 29.5-213, proceeds from instant bingo, pull tabs, and seal cards shall be included when calculating an
3638 organization's annual gross receipts for the purposes of this subdivision.

3639 "Pari-mutuel play" means an integrated network operated by a licensee of the Commission composed of
3640 participating charitable organizations for the conduct of network bingo games in which the purchase of a
3641 network bingo card by a player automatically includes the player in a pool with all other players in the
3642 network, and where the prize to the winning player is awarded based on a percentage of the total amount of
3643 network bingo cards sold in a particular network.

3644 "Qualified organization" means any organization to which a valid permit has been issued by the
3645 Commissioner to conduct charitable gaming or any organization that is exempt pursuant to § 29.5-206.

3646 "Raffle" means a lottery in which the prize is won by (i) a random drawing of the name or prearranged
3647 number of one or more persons purchasing chances or (ii) a random contest in which the winning name or
3648 preassigned number of one or more persons purchasing chances is determined by a race involving inanimate
3649 objects floating on a body of water, commonly referred to as a "duck race."

3650 "Reasonable and proper business expenses" means business expenses actually incurred by a qualified
3651 organization in the conduct of charitable gaming and not otherwise allowed under this chapter or under
3652 Board regulations on real estate and personal property tax payments, travel expenses, payments of utilities
3653 and trash collection services, legal and accounting fees, costs of business furniture, fixtures and office
3654 equipment and costs of acquisition, maintenance, repair, or construction of an organization's real property.
3655 For the purpose of this definition, (i) salaries and wages of employees whose primary responsibility is to

3656 provide services for the principal benefit of an organization's members or (ii) expenses for social or
3657 recreational activities for the principal benefit of a social organization's members may qualify as a business
3658 expense, if so determined by the Board. However, payments made pursuant to § 51.1-1204 to the Volunteer
3659 Firefighters' and Rescue Squad Workers' Service Award Fund shall be deemed a reasonable and proper
3660 business expense.

3661 "Social organization" means any qualified organization that provides certification to the Commission that
3662 it is:

3663 1. An accredited public institution of higher education or other postsecondary school licensed or certified
3664 by the Board of Education or the State Council of Higher Education for Virginia qualified under § 501(c)(3)
3665 of the Internal Revenue Code;

3666 2. An organization established on or before November 10, 1922, that is qualified under § 501(c)(4) of the
3667 Internal Revenue Code, is the only federally chartered Marine Corps-related veterans organization in the
3668 country, and is operated for the purpose of promoting the interest and preserving the traditions of the United
3669 States Marine Corps;

3670 3. An organization established on or before December 31, 1963, as a result of its members being
3671 prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of
3672 1926, which required the racial segregation of all public events in the Commonwealth, that is qualified under
3673 § 501(c)(7) of the Internal Revenue Code;

3674 4. An organization established on or before December 31, 1977, that is qualified under § 501(c)(7) of the
3675 Internal Revenue Code and is incorporated, in part, to raise funds for donation to organizations whose
3676 missions include promoting early detection of and public education about and supporting research and
3677 treatment options for heart disease and various cancers;

3678 5. A fraternal beneficiary society, order, or association qualified under § 501(c)(8) of the Internal
3679 Revenue Code;

3680 6. A domestic fraternal society, order, or association qualified under § 501(c)(10) of the Internal Revenue
3681 Code; or

3682 7. A post or organization of past or present members of the Armed Forces of the United States, or an
3683 auxiliary unit or society of, or a trust or foundation for, any such post or organization qualified under §
3684 501(c)(19) of the Internal Revenue Code.

3685 "Social quarters" means, in addition to any specifications prescribed by the Board, an area at a social
3686 organization's primary location that (i) such organization designates to be used predominantly by its
3687 members for social and recreational activities, (ii) is accessible exclusively to members of the social
3688 organization and their guests, and (iii) is not advertised or open to the general public. It shall not disqualify
3689 the area from being considered social quarters if guests occasionally accompany members into the area, so
3690 long as such guests do not spend their own funds to participate in charitable gaming or electronic gaming
3691 activities conducted in the area. In determining if an area is social quarters for purposes of § 29.5-215, the
3692 Board may rely on publications of the Internal Revenue Service regarding the allowable participation of
3693 guests in an organization's social and recreational activities for purposes of § 501 of the Internal Revenue
3694 Code.

3695 "Supplier" means any person who offers to sell, sells, or otherwise provides charitable gaming supplies to
3696 any qualified organization.

3697 "Texas Hold'em poker game" means a variation of poker in which (i) players receive two cards facedown
3698 that may be used individually, (ii) five cards shown face up are shared among all players in the game, (iii)
3699 players combine any number of their individual cards with the shared cards to make the highest five-card
3700 hand to win the value wagered during the game, and (iv) the ranking of hands and the rules of the game are
3701 governed by the official rules of the Poker Tournament Directors Association.

3702 "Texas Hold'em poker tournament" or "tournament" means an organized competition of players (i) who
3703 pay a fixed fee for entry into the competition and for a certain amount of poker chips for use in the
3704 competition; (ii) who may be allowed to pay an additional fee, during set preannounced times of the
3705 competition, to receive additional poker chips for use in the competition; (iii) who may be seated at one or
3706 more tables simultaneously playing Texas Hold'em poker games; (iv) who upon running out of poker chips
3707 are eliminated from the competition; and (v) a pre-set number of whom are awarded prizes of value
3708 according to how long such players remain in the competition.

3709 **§ 29.5-201. Charitable Gaming Advisory Board established; powers and duties.**

3710 A. The Charitable Gaming Advisory Board (the Advisory Board) is hereby established as an advisory
3711 board within the Virginia Gaming Commission for the purpose of advising the Commission on all aspects of
3712 the conduct of charitable gaming in Virginia.

3713 B. The Advisory Board shall consist of nine members who shall be appointed by the Governor subject to

3714 confirmation by the General Assembly as follows: one member who is a member of a charitable organization
3715 subject to the provisions of this chapter in good standing with the Commission; one member who is a
3716 charitable gaming supplier registered and in good standing with the Commission; one member who is an
3717 owner, lessor, or lessee of premises where charitable gaming is conducted; at least one member who is or
3718 has been a law-enforcement officer in the Commonwealth but who (i) is not a charitable gaming supplier
3719 registered with the Commission, (ii) is not a lessor of premises where charitable gaming is conducted, (iii) is
3720 not a member of a charitable organization, and (iv) does not have an interest in or is not affiliated with such
3721 supplier or charitable organization or owner, lessor, or lessee of premises where charitable gaming is
3722 conducted; and five citizens who do not have an interest in or are not affiliated with a charitable
3723 organization, charitable gaming supplier, or owner, lessor, or lessee of premises where charitable gaming is
3724 conducted.

3725 To the extent practicable, the Advisory Board shall consist of individuals from different geographic
3726 regions of the Commonwealth. Each member of the Advisory Board shall have been a resident of the
3727 Commonwealth for a period of at least three years next preceding his appointment, and his continued
3728 residency shall be a condition of his tenure in office. Members shall be appointed for four-year terms.
3729 Vacancies shall be filled by the Governor in the same manner as the original appointment for the unexpired
3730 portion of the term. Each Advisory Board member shall be eligible for reappointment for a second
3731 consecutive term at the discretion of the Governor. Persons who are first appointed to initial terms of less
3732 than four years shall thereafter be eligible for reappointment to two consecutive terms of four years each. No
3733 sitting member of the General Assembly shall be eligible for appointment to the Advisory Board. The
3734 members of the Advisory Board shall serve at the pleasure of the Governor.

3735 C. The Advisory Board shall elect from among its members a chairman and vice-chairman from among its
3736 members.

3737 D. A quorum shall consist of five members. The decision of a majority of those members present and
3738 voting shall constitute a decision of the Advisory Board.

3739 E. For each day or part thereof spent in the performance of his duties, each member of the Advisory
3740 Board shall receive such compensation and reimbursement for his reasonable expenses as provided in §
3741 2.2-2104.

3742 F. The Advisory Board shall adopt rules and procedures for the conduct of its business, including a

3743 provision that Advisory Board members shall abstain or otherwise recuse themselves from voting on any
3744 matter in which they or a member of their immediate family have a personal interest in a transaction as
3745 defined in § 2.2-3101. The Advisory Board shall meet at least four times a year, and other meetings may be
3746 held at any time or place determined by the Advisory Board or upon call of the chairman or upon a written
3747 request to the chairman by any two members. Except for emergency meetings, all members shall be duly
3748 notified of the time and place of any regular or other meeting at least 10 days in advance of such meeting.

3749 G. Staff to the Advisory Board shall be provided by the Commission.

3750 H. The Advisory Board shall:

3751 1. Advise the Virginia Gaming Commission on the conduct of charitable gaming in Virginia and
3752 recommend changes to this chapter:

3753 2. Advise on other matters related to charitable gaming that the Commission may request or the Advisory
3754 Board may deem necessary; and

3755 3. Keep a complete and accurate record of its proceedings. A copy of such record and any other public
3756 records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall
3757 be available for public inspection and copying during regular office hours at the Commission.

3758 **§ 29.5-202. Powers and duties of the Commission and the Board.**

3759 The Commission shall have all powers and duties necessary to carry out the provisions of this chapter
3760 and to exercise the control of charitable gaming. Such powers and duties shall include the following:

3761 1. The Commission is vested with jurisdiction and supervision over all charitable gaming authorized
3762 under the provisions of this chapter and including all persons that conduct or provide goods, services, or
3763 premises used in the conduct of charitable gaming. It may employ such persons as are necessary to ensure
3764 that charitable gaming is conducted in conformity with the provisions of this chapter and Board regulations.

3765 The Commission shall designate such agents and employees as it deems necessary and appropriate who shall
3766 be sworn to enforce the provisions of this chapter and the criminal laws of the Commonwealth and who shall
3767 be law-enforcement officers as defined in § 9.1-101.

3768 2. The Commission, its agents, and employees charged with the enforcement of charitable gaming laws
3769 shall have free access to the offices, facilities, or any other place of business of any organization, including
3770 any premises devoted in whole or in part to the conduct of charitable gaming. These individuals may enter
3771 such places or premises for the purpose of carrying out any duty imposed by this chapter, securing records

3772 required to be maintained by an organization, investigating complaints, or conducting audits.

3773 3. The Board may compel the production of any books, documents, records, or memoranda of any
3774 organization, electronic gaming manufacturer, or supplier involved in the conduct of charitable gaming for
3775 the purpose of satisfying itself that this chapter and its regulations are strictly complied with. In addition, the
3776 Board may require the production of an annual balance sheet and operating statement of any person granted
3777 a permit pursuant to the provisions of this chapter and may require the production of any contract to which
3778 such person is or may be a party.

3779 4. The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel
3780 production of records or other documents and testimony of such witnesses whenever, in the judgment of the
3781 Commission, it is necessary to do so for the effectual discharge of its duties.

3782 5. The Board may compel any person conducting charitable gaming to file with the Commission such
3783 documents, information, or data as shall appear to the Commission to be necessary for the performance of its
3784 duties.

3785 6. The Commissioner may enter into arrangements with any governmental agency of this or any other
3786 state or any locality in the Commonwealth or any agency of the federal government for the purposes of
3787 exchanging information or performing any other act to better ensure the proper conduct of charitable
3788 gaming.

3789 7. The Commissioner may issue a charitable gaming permit while the permittee's tax-exempt status is
3790 pending approval by the Internal Revenue Service.

3791 8. The Commission shall report annually to the Governor and the General Assembly, which report shall
3792 include a financial statement of the operation of the Commission and any recommendations for legislation
3793 applicable to charitable gaming in the Commonwealth.

3794 9. The Commission, its agents, and employees may conduct such audits, in addition to those required by §
3795 29.5-223, as they deem necessary and desirable.

3796 10. The Board may limit the number of organizations for which a person may manage, operate, or
3797 conduct charitable games.

3798 11. The Board may promulgate regulations that require any landlord that leases to a qualified
3799 organization any premises devoted in whole or in part to the conduct of bingo games or any other charitable
3800 gaming to register with the Commission.

3801 12. The Commission may report any alleged criminal violation of this chapter to the appropriate attorney
3802 for the Commonwealth for appropriate action.

3803 13. Beginning July 1, 2026, and at least once every five years thereafter, the Commission shall convene a
3804 stakeholder work group to review the limitations on prize amounts and provide any recommendations to the
3805 General Assembly by November 30 of the year in which the stakeholder work group is convened.

3806 **§ 29.5-203. Regulations of the Board.**

3807 A. The Board shall adopt regulations that:

3808 1. Require, as a condition of receiving a charitable gaming permit or authorization to conduct electronic
3809 gaming, that the applicant use a predetermined percentage of its receipts for those lawful religious,
3810 charitable, community, or educational purposes for which the organization is specifically chartered or
3811 organized, including (i) those expenses relating to the acquisition, construction, maintenance, or repair of
3812 any interest in real property or (ii) expenses related to the rental of real property by an organization as
3813 described by subdivision 5, 6, or 7 of the definition of "social organization" in § 29.5-200 where such real
3814 property is involved in the operation of the organization and used for lawful religious, charitable,
3815 community, or educational purposes, as follows:

3816 a. With respect to charitable gaming, other than electronic gaming, a predetermined percentage of its
3817 gross receipts.

3818 b. With respect to electronic gaming, a predetermined percentage of its electronic gaming adjusted gross
3819 receipts.

3820 2. Specify the conditions under which a complete list of the organization's members who participate in the
3821 management, operation, or conduct of charitable gaming may be required in order for the Commissioner to
3822 ascertain the percentage of Virginia residents in accordance with subdivision A 3 of § 29.5-207.

3823 Membership lists furnished to the Commission in accordance with this subdivision shall not be a matter of
3824 public record and shall be exempt from disclosure under the provisions of the Virginia Freedom of
3825 Information Act (§ 2.2-3700 et seq.).

3826 3. Prescribe fees for processing applications for charitable gaming permits and authorizing social
3827 organizations to conduct electronic gaming. Such fees may reflect the nature and extent of the charitable
3828 gaming activity proposed to be conducted.

3829 4. Establish requirements for the audit of all reports required in accordance with §§ 29.5-221 and

3830 29.5-222.

3831 5. Define electronic and mechanical equipment used in the conduct of charitable gaming. Board
3832 regulations shall include capacity for such equipment to provide full automatic daubing as numbers are
3833 called. For the purposes of this subdivision, electronic or mechanical equipment for instant bingo, pull tabs,
3834 or seal cards shall include such equipment that displays facsimiles of instant bingo, pull tabs, or seal cards
3835 and is used solely for the purpose of dispensing or opening such paper or electronic cards, or both, but shall
3836 not include (i) devices operated by dropping one or more coins or tokens into a slot and pulling a handle or
3837 pushing a button or touchpoint on a touchscreen to activate one to three or more reels marked into horizontal
3838 segments by varying symbols, where the predetermined prize amount depends on how and how many of the
3839 symbols line up when the rotating reels come to rest, or (ii) other similar devices that display flashing lights
3840 or illuminations, or bells, whistles, or other sounds, solely intended to entice players to play. Such
3841 regulations shall not prohibit (a) devices that display spinning, rotating, or rolling reels or animations or
3842 flashing lights; (b) devices that accept vouchers; (c) the purchase and play of an electronic pull tab with a
3843 single press or touch of a button; or (d) the use of multiple video monitors or touchscreens on an electronic
3844 gaming device.

3845 6. Prescribe the conditions under which a qualified organization may (i) provide food and nonalcoholic
3846 beverages to its members who participate in the management, operation, or conduct of bingo; (ii) permit
3847 members who participate in the management, operation, or conduct of bingo to play bingo; and (iii) subject
3848 to the provisions of subdivision 12 of § 29.5-224, permit nonmembers to participate in the conduct of bingo
3849 so long as the nonmembers are under the direct supervision of a bona fide member of the organization during
3850 the bingo game.

3851 7. Prescribe the conditions under which a qualified organization may sell raffle tickets for a raffle
3852 drawing that will be held outside the Commonwealth pursuant to subsection B of § 29.5-212.

3853 8. Prescribe the conditions under which persons who are bona fide members of a qualified organization
3854 or a child, above the age of 13 years, of a bona fide member of such organization may participate in the
3855 conduct or operation of bingo games.

3856 9. Prescribe the conditions under which a person below the age of 18 years may play bingo, provided that
3857 such person is accompanied by his parent or legal guardian.

3858 10. Require all qualified organizations that are subject to Board regulations to post in a conspicuous

3859 place in every place where charitable gaming is conducted a sign that bears a toll-free telephone number for
3860 "Gamblers Anonymous" or other organization that provides assistance to compulsive gamblers.

3861 11. Require all qualified organizations that are subject to Board regulations to post in a conspicuous
3862 place in every place where charitable gaming is conducted a sign that bears the toll-free telephone number
3863 and website for the illegal gaming tip line established and administered by the Office of the Gaming
3864 Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for members of the public to
3865 report concerns about, or suspected instances of, illegal gaming activities.

3866 12. Prescribe the conditions under which a qualified organization may sell network bingo cards in
3867 accordance with § 29.5-218 and establish a percentage of proceeds derived from network bingo sales to be
3868 allocated to (i) prize pools, (ii) the organization conducting the network bingo, and (iii) the network bingo
3869 provider. The regulations shall also establish procedures for the retainage and ultimate distribution of any
3870 unclaimed prize.

3871 13. Prescribe the conditions under which a qualified organization may manage, operate, or contract with
3872 operators of or conduct Texas Hold'em poker tournaments.

3873 14. Prescribe the conditions under which a qualified organization may lease the premises of a permitted
3874 social organization for the purpose of conducting bingo, network bingo, instant bingo, pull tabs, seal cards,
3875 and electronic gaming permitted under this chapter and establish requirements for proper financial reporting
3876 of all disbursements, gross receipts, and electronic gaming adjusted gross receipts and payment of all fees
3877 required under this chapter.

3878 B. The Board may, by regulation, approve variations to the card formats for bingo games, provided that
3879 such variations result in bingo games that are conducted in a manner consistent with the provisions of this
3880 chapter. Board-approved variations may include bingo games commonly referred to as player selection
3881 games and 90-number bingo.

3882 § 29.5-204. Denial, suspension, or revocation of permit; hearings and appeals.

3883 A. The Commissioner may deny, suspend, or revoke the permit of any organization found not to be in
3884 strict compliance with the provisions of this chapter and Board regulations. The action of the Commissioner
3885 in denying, suspending, or revoking any permit shall be subject to the Administrative Process Act (§ 2.2-4000
3886 et seq.).

3887 B. Except as provided in §§ 8.01-534, 29.5-209, 29.5-221, 29.5-222, and 29.5-228, no permit to conduct

3888 charitable gaming or authorization to conduct electronic gaming shall be denied, suspended, or revoked, and
3889 no charitable games or funds from charitable gaming operations shall be seized, except upon notice stating
3890 the proposed basis for such action and the time and place for the hearing. At the discretion of the
3891 Commissioner, hearings may be conducted by hearing officers who shall be selected from the list prepared by
3892 the Executive Secretary of the Supreme Court. After a hearing on the issues, the Commissioner may refuse to
3893 issue or may suspend or revoke any such permit or authorization if it determines that the organization has
3894 not complied with the provisions of this chapter or Board regulations.

3895 C. Any person aggrieved by a refusal of the Commissioner to issue any permit, the suspension or
3896 revocation of a permit, or any other action of the Commission may seek review of such action in accordance
3897 with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

3898 § 29.5-205. Permitted forms of gaming; prizes not gaming contracts.

3899 A. This chapter permits qualified organizations to conduct (i) raffles, bingo, network bingo, instant bingo
3900 games, and Texas Hold'em poker tournaments and (ii) electronic gaming authorized pursuant to the
3901 provisions of § 29.5-215. All games not explicitly authorized by this chapter or Board regulations adopted in
3902 accordance with § 29.5-203 are prohibited. Nothing herein shall be construed to authorize the Board to
3903 approve the conduct of any other form of poker in the Commonwealth.

3904 B. The award of any prize money for any charitable game shall not be deemed to be part of any gaming
3905 contract within the purview of § 11-14.

3906 C. Nothing in this chapter shall prohibit an organization from using the Virginia Lottery's Pick-3 number
3907 or any number or other designation selected by the Virginia Lottery in connection with any lottery, as the
3908 basis for determining the winner of a raffle.

3909 § 29.5-206. Organizations exempt from certain fees and reports.

3910 A. No organization that reasonably expects, on the basis of prior charitable gaming annual results or any
3911 other quantifiable method, to realize gross receipts of \$40,000 or less in any 12-month period from raffles
3912 conducted in accordance with the provisions of this chapter shall be required to (i) notify the Commission of
3913 its intention to conduct raffles or (ii) comply with Board regulations governing raffles.

3914 B. Any organization that reasonably expects, on the basis of prior charitable gaming annual results or
3915 any other quantifiable method, to realize gross receipts of \$40,000 or less from all charitable gaming other
3916 than raffles on a total of no more than seven days per calendar year shall be required to register with the

3917 Commission pursuant to the provisions of § 29.5-208.

3918 C. If any organization's actual gross receipts from raffles for the 12-month period exceed \$40,000 as
3919 described in subsection A or actual gross receipts from all charitable gaming other than raffles conducted on
3920 a total of no more than seven days per calendar year exceed \$40,000 as described in subsection B, the
3921 Commission shall require the organization to obtain a permit pursuant to the provisions of § 29.5-209 and
3922 file by a specified date the report required by § 29.5-221.

3923 D. Any (i) organization described in subdivision 18 of the definition of "organization" in § 29.5-200 or (ii)
3924 volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof that has
3925 been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political subdivision
3926 where the volunteer fire department or volunteer emergency medical services agency is located as being part
3927 of the safety program of such political subdivision shall be exempt from the payment of application fees
3928 required by § 29.5-209 and the payment of audit fees required by § 29.5-223. Any such organization,
3929 department, agency, or unit that conducts electronic gaming shall be subject to such application fees and
3930 audit fees for its electronic gaming activities; however, in accordance with the provisions of § 29.5-223, any
3931 audit fees may be paid by either the organization or the electronic gaming manufacturer whose electronic
3932 gaming devices are present on the premises of the organization, department, agency, or unit. Nothing in this
3933 subsection shall be construed as exempting any organizations described in subdivision 18 of the definition of
3934 "organization" in § 29.5-200, volunteer fire departments, or volunteer emergency medical services agencies
3935 from any other provisions of this chapter or other Board regulations.

3936 E. Nothing in this section shall prevent the Commission from conducting any investigation or audit it
3937 deems appropriate to ensure an organization's compliance with the provisions of this chapter and, to the
3938 extent applicable, Board regulations.

3939 **§ 29.5-207. Eligibility for permit; exceptions; where valid.**

3940 A. To be eligible for a permit to conduct charitable gaming, an organization shall:

3941 1. Have been in existence and met on a regular basis in the Commonwealth for a period of at least three
3942 years immediately prior to applying for a permit.

3943 The three-year residency requirement shall not apply (i) to any lodge or chapter of a national or
3944 international fraternal order or of a national or international civic organization that is exempt under §
3945 501(c) of the United States Internal Revenue Code and that has a lodge or chapter holding a charitable

3946 gaming permit issued under the provisions of this chapter anywhere within the Commonwealth; (ii) to
3947 booster clubs that have been operating for less than three years and that have been established solely to raise
3948 funds for school-sponsored activities in public schools or private schools accredited pursuant to § 22.1-19;
3949 (iii) to recently established volunteer fire and rescue companies or departments, after county, city, or town
3950 approval; or (iv) to an organization that relocates its meeting place on a permanent basis from one
3951 jurisdiction to another, complies with the requirements of subdivision 2, and was the holder of a valid permit
3952 at the time of its relocation.

3953 2. Be operating currently and have always been operated as a nonprofit organization.

3954 3. Have at least 50 percent of its membership consist of residents of the Commonwealth; however, if an
3955 organization (i) does not consist of bona fide members and (ii) is exempt under § 501(c)(3) of the United
3956 States Internal Revenue Code, the Commission shall exempt such organization from the requirements of this
3957 subdivision.

3958 B. Any organization whose gross receipts from all charitable gaming exceeds or can be expected to
3959 exceed \$40,000 in any calendar year shall have been granted tax-exempt status pursuant to § 501(c) of the
3960 United States Internal Revenue Code. At the same time tax-exempt status is sought from the Internal Revenue
3961 Service, the same documentation may be filed with the Commission in conjunction with an application for a
3962 charitable gaming permit. If such documentation is filed, the Commissioner may, after reviewing such
3963 documentation it deems necessary, issue a charitable gaming permit.

3964 C. A permit shall be valid only for the dates and times designated in the permit.

3965 **§ 29.5-208. Registration requirements; certain organizations.**

3966 A. Any organization seeking to conduct charitable gaming in accordance with subsection B of § 29.5-206
3967 shall first register with the Commission on a form prescribed by the Board. The Board shall only require the
3968 organization to provide (i) proof of the organization's nonprofit status; (ii) contact information for the chief
3969 executive officer of the organization or his designee; (iii) the location, dates, and times of any expected
3970 charitable gaming activity; (iv) a description of the general nature of the anticipated charitable gaming
3971 activity; and (v) a signed attestation that the organization (a) does not reasonably expect to realize more than
3972 \$40,000 in gross receipts on a total of no more than seven days per calendar year for the charitable gaming
3973 activities listed on the registration form, (b) understands that should the organization exceed the \$40,000
3974 threshold, it will be required to file the report in accordance with § 29.5-221, and (c) understands it shall be

3975 required to comply with the provisions of this chapter and Board regulations.

3976 B. Any organization that registers with the Commission pursuant to this section is subject to random
3977 audits of its charitable gaming activities by the Commission and is subject to the penalties specified in §§
3978 29.5-228 and 29.5-230 for gross violations of this chapter.

3979 C. The Commissioner may deny, suspend, or revoke the registration of any organization found not to be in
3980 compliance with the provisions of this chapter and Board regulations. The action of the Commissioner in
3981 denying, suspending, or revoking any registration shall be subject to the Administrative Process Act (§
3982 2.2-4000 et seq.).

3983 D. Any person aggrieved by the denial, suspension, or revocation of a registration or any other action of
3984 the Commission may seek review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the
3985 Administrative Process Act.

3986 **§ 29.5-209. Permit required; application fee; form of application.**

3987 A. Except as provided for in § 29.5-206, prior to the commencement of any charitable game, an
3988 organization shall obtain a permit from the Commission.

3989 B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from
3990 the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion
3991 of the Commissioner, a permit may be issued. All permits when issued shall be valid for the period specified
3992 in the permit unless it is sooner suspended or revoked. No permit shall be valid for longer than two years.
3993 The application shall be a matter of public record.

3994 All permits shall be subject to regulation by the Board to ensure the public safety and welfare in the
3995 operation of charitable games. The permit shall only be granted after a reasonable investigation has been
3996 conducted by the Commission. The Commission may require any prospective employee, permit holder, or
3997 applicant to submit to fingerprinting and to provide personal descriptive information to be forwarded along
3998 with employee's, licensee's, or applicant's fingerprints through the Central Criminal Records Exchange to the
3999 Federal Bureau of Investigation for the purposes of obtaining criminal history record information regarding
4000 such prospective employee, permit holder, or applicant. The Central Criminal Records Exchange, upon
4001 receipt of a prospective employee, licensee, or applicant record or notification that no record exists, shall
4002 forward the report to the Commissioner or his designee, who shall belong to a governmental entity. However,
4003 nothing in this subsection shall be construed to require the routine fingerprinting of volunteer bingo workers.

4004 C. In no case shall an organization receive more than one permit allowing it to conduct charitable
4005 gaming, except that an organization may also apply for and receive a temporary permit pursuant to §
4006 29.5-211.

4007 D. Application for a charitable gaming permit shall be made on forms prescribed by the Board and shall
4008 be accompanied by payment of the fee for processing the application.

4009 E. Applications for renewal of permits shall be made in accordance with Board regulations. If a complete
4010 renewal application is received 45 days or more prior to the expiration of the permit, the permit shall
4011 continue to be effective until such time as the Commissioner has taken final action. Otherwise, the permit
4012 shall expire at the end of its term.

4013 F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the
4014 permit, and no organization shall conduct any charitable gaming until the requirements are met and a permit
4015 is obtained.

4016 **§ 29.5-210. Authorization to conduct electronic gaming required; fee.**

4017 A. In addition to a charitable gaming permit, a social organization shall receive authorization from the
4018 Commissioner prior to conducting any electronic gaming pursuant to the provisions of § 29.5-215. A social
4019 organization may request such authorization from the Commissioner by providing certain information, as
4020 determined by the Board, on a form prescribed by the Board.

4021 B. All requests for authorization to conduct electronic gaming shall be acted upon by the Commissioner
4022 within 45 days from the date of the request. A social organization that meets the necessary requirements
4023 pursuant to this chapter may be, at the discretion of the Commissioner, authorized to conduct electronic
4024 gaming pursuant to the provisions of § 29.5-215. Any such authorization granted by the Commissioner shall
4025 be noted on the social organization's charitable gaming permit and shall be valid for the time specified in the
4026 permit unless it is sooner suspended or revoked. No authorization to conduct electronic gaming shall be valid
4027 for longer than two years. All requests received by the Commission shall be a matter of public record.

4028 All authorizations to conduct electronic gaming shall be subject to regulation by the Board to ensure the
4029 public safety and welfare in the operation of electronic games. The authorization shall only be granted after
4030 a reasonable investigation has been conducted by the Commission.

4031 C. In no case shall a social organization be authorized to conduct electronic gaming at more than one
4032 location.

4033 D. Requests for authorization to conduct electronic gaming shall be made on forms prescribed by the
4034 Board and shall be accompanied by payment of a fee.

4035 E. Requests for renewal of such authorizations shall be made in accordance with Board regulations. If a
4036 complete renewal request is received 45 days or more prior to the expiration of the authorization, the
4037 authorization shall continue to be effective until such time as the Commissioner has taken final action.
4038 Otherwise, the authorization shall expire at the end of its term.

4039 **§ 29.5-211. Temporary permits authorized; limitations.**

4040 A. Any qualified organization described in subdivision 4 or 5 of the definition of "organization" in §
4041 29.5-200 may obtain a temporary permit from the Commissioner allowing such organization to sell instant
4042 bingo, pull tabs, or seal cards upon premises located anywhere in the Commonwealth during a convention,
4043 conference, or related event lasting no more than seven consecutive days held by such organization's
4044 affiliated state, regional, or national organization up to once per quarter as designated in the permit.

4045 B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from
4046 the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion
4047 of the Commissioner, a temporary permit may be issued. All temporary permits when issued shall be valid for
4048 the period specified in the permit unless it is sooner suspended or revoked. No permit shall be valid for
4049 longer than one year. The application shall be a matter of public record.

4050 All temporary permits shall be subject to regulation by the Board to ensure the public safety and welfare
4051 in the operation of charitable games. The temporary permit shall only be granted after a reasonable
4052 investigation has been conducted by the Commission. The Commission may require any prospective
4053 employee, permit holder, or applicant to submit to fingerprinting and to provide personal descriptive
4054 information to be forwarded along with the employee's, permit holder's, or applicant's fingerprints through
4055 the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purposes of obtaining
4056 criminal history record information regarding such prospective employee, permit holder, or applicant. The
4057 Central Criminal Records Exchange, upon receipt of a prospective employee, permit holder, or applicant
4058 record or notification that no record exists, shall forward the report to the Commissioner or his designee,
4059 who shall belong to a governmental entity. However, nothing in this subsection shall be construed to require
4060 the routine fingerprinting of volunteer bingo workers.

4061 C. In no case shall an organization receive more than one temporary permit allowing it to conduct

4062 charitable gaming; however, an organization may also receive a permit in accordance with the provisions of
4063 § 29.5-209.

4064 D. Application for a temporary permit shall be made on forms prescribed by the Board and shall be
4065 accompanied by payment of the fee for processing the application.

4066 E. Applications for renewal of temporary permits shall be made in accordance with Board regulations. If
4067 a complete renewal application is received 45 days or more prior to the expiration of the temporary permit,
4068 the temporary permit shall continue to be effective until such time as the Commissioner has taken final
4069 action. Otherwise, the temporary permit shall expire at the end of its term.

4070 F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the
4071 temporary permit, and no organization shall conduct any charitable gaming in accordance with the
4072 provisions of subsection A until such requirements are met and a temporary permit is obtained.

4073 § 29.5-212. Sale of raffle tickets; drawings.

4074 A. Except as provided in subsection B, a qualified organization may sell raffle tickets both in and out of
4075 the jurisdiction designated in its permit and shall conduct the drawing within the Commonwealth.

4076 B. A qualified organization may sell raffle tickets for a raffle drawing that will be held outside the
4077 Commonwealth, provided the raffle is conducted in accordance with (i) Board regulations and (ii) the laws
4078 and regulations of the jurisdiction in which the raffle drawing will be held.

4079 C. Before a prize drawing, each stub or other detachable section of each ticket sold or won through some
4080 other authorized charitable game conducted by the same organization holding the raffle shall be placed into
4081 a receptacle from which the winning tickets are drawn. The receptacle shall be designed so that each ticket
4082 placed in it has an equal chance of being drawn.

4083 § 29.5-213. Sale of instant bingo, pull tabs, or seal cards.

4084 A. Except as provided in subsection D, instant bingo, pull tabs, or seal cards may be sold only (i) by a
4085 qualified organization, as defined in § 29.5-200, (ii) upon premises that are owned or exclusively and entirely
4086 leased by the qualified organization or leased by the qualified organization pursuant to subsection C, and
4087 (iii) at such times that the premises in which the instant bingo, pull tabs, or seal cards are sold is open only to
4088 members and their guests via controlled access. Except as provided in subsections C and D, no organization
4089 may sell instant bingo, pull tabs, or seal cards (a) at a location outside of the county, city, or town in which
4090 the organization's principal office, as registered with the State Corporation Commission, is located or in an

4091 adjoining county, city, or town or (b) at an establishment that has been granted a license pursuant to Chapter
4092 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization. Nothing in this chapter shall
4093 be construed to prohibit the conduct of games of chance involving the sale of pull tabs or seal cards,
4094 commonly known as last sale games, conducted in accordance with this section or, if such games are
4095 electronic games, in accordance with § 29.5-215.

4096 B. It is prohibited to use an electronic device to conduct instant bingo, pull tabs, or seal cards except as
4097 permitted under § 29.5-215.

4098 C. Notwithstanding the provisions of subsection A, a qualified organization may lease the premises of any
4099 social organization authorized pursuant to § 29.5-215 for the purpose of selling instant bingo, pull tabs, or
4100 seal cards.

4101 D. Notwithstanding the provisions of subsection A, instant bingo, pull tabs, or seal cards may be sold by a
4102 qualified organization that has received a temporary permit from the Commissioner pursuant to § 29.5-211
4103 upon premises located anywhere in the Commonwealth during a convention, conference, or related event
4104 lasting no more than seven consecutive days held by such organization's affiliated state, regional, or national
4105 organization up to once per quarter as designated in the temporary permit.

4106 **§ 29.5-214. Sale of instant bingo, pull tabs, or seal cards dispensed by mechanical equipment.**

4107 As a part of its annual fundraising event, any qualified organization may sell instant bingo, pull tabs, or
4108 seal cards, provided that (i) any such instant bingo, pull tabs, or seal cards are dispensed by mechanical
4109 equipment only; (ii) the sale of the same is limited to a single event of no more than seven days per calendar
4110 year; (iii) any such event is open to the public; and (iv) no such organization realizes actual gross receipts of
4111 more than \$40,000 from the conduct of all charitable gaming other than raffles on a total of no more than
4112 seven days per calendar year. Notwithstanding the provisions of § 29.5-217, an organization authorized
4113 under this section shall not be required to sell such instant bingo, pull tabs, or seal cards at such times
4114 designated in the permit for regular bingo games or at a location at which the organization is authorized to
4115 conduct regular bingo games pursuant to subsections E and F of § 29.5-216. If any organization's actual
4116 gross receipts from the sale of instant bingo, pull tabs, or seal cards pursuant to this section exceed \$40,000,
4117 the Commission shall require the organization to obtain a permit pursuant to the provisions of § 29.5-209
4118 and file by a specified date the report required by § 29.5-221. The Commission may require organizations
4119 authorized under this section to make such financial reporting as it deems necessary.

4120 Nothing in this section shall be construed as exempting organizations authorized to sell instant bingo, pull
4121 tabs, or seal cards under this section from any other provisions of this chapter or other Board regulations.

4122 § 29.5-215. Electronic gaming; penalty.

4123 A. The Commissioner may authorize a social organization to conduct electronic gaming (i) within its
4124 social quarters and (ii) elsewhere on the premises of its primary location. Any such authorized social
4125 organization may lease its premises to any qualified organization for the purpose of conducting electronic
4126 gaming. A qualified organization that leases the premises of a social organization pursuant to this section
4127 shall be subject to the rules and regulations prescribed by the Board. No other electronic gaming shall be
4128 allowed under this chapter. Any person who conducts or participates in electronic gaming that is not
4129 authorized under this section shall be subject to the penalties specified in § 29.5-230.

4130 B. A social organization may request authorization from the Commissioner to conduct electronic gaming
4131 pursuant to this section in accordance with the procedures established under §§ 29.5-204 and 29.5-209. Any
4132 fee charged by the Commission for the purpose of such authorization shall be in addition to any fee charged
4133 for a charitable gaming permit. Any charitable gaming permit that also authorizes a social organization to
4134 conduct electronic gaming shall identify the expiration date of such authorization and the number of
4135 electronic gaming devices authorized at the location.

4136 C. A social organization and any qualified organization that leases the premises of a social organization
4137 pursuant to this section are prohibited from advertising any electronic gaming activities to the general
4138 public.

4139 D. The Commission may authorize a maximum of 18 electronic gaming devices at a location. Each such
4140 device shall bear a mark indicating it has been authorized and approved by the Commission.

4141 E. An electronic gaming manufacturer that has been issued a permit by the Commissioner in accordance
4142 with § 29.5-225 shall report all electronic gaming adjusted gross receipts pursuant to the provisions of §
4143 29.5-222.

4144 F. The use of electronic gaming devices utilizing multiple video monitors or touchscreens shall be limited
4145 to one player at a time.

4146 G. No social organization or qualified organization leasing the premises of a social organization shall
4147 allow any individual younger than 21 years of age to participate in electronic gaming. No individual younger
4148 than 21 years of age shall participate in electronic gaming or otherwise use an electronic device to play or

4149 redeem any instant bingo, pull tabs, or seal cards.

4150 H. No social organization or any qualified organization leasing the premises of a social organization
4151 shall extend lines of credit or accept any credit or other electronic fund transfer other than debit cards in
4152 payment of any charges or assessments for players to participate in electronic gaming.

4153 **§ 29.5-216. Conduct of bingo games.**

4154 A. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of
4155 any charges or assessments for players to participate in bingo games. However, no such organization shall
4156 accept postdated checks in payment of any charges or assessments for players to participate in bingo games.

4157 B. No qualified organization or any person on the premises shall extend lines of credit or accept any
4158 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for
4159 players to participate in bingo games.

4160 C. Bingo games may be held by qualified organizations on any calendar day.

4161 D. Qualified organizations may hold an unlimited number of bingo sessions on any calendar day.

4162 E. Except as provided in subsection F, no organization may conduct bingo games (i) at a location outside
4163 of the county, city, or town in which its principal office, as registered with the State Corporation Commission,
4164 is located or in an adjoining county, city, or town or (ii) at an establishment that has been granted a license
4165 pursuant to Chapter 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization.

4166 F. Notwithstanding the provisions of subsection E, a qualified organization may lease the premises of any
4167 social organization authorized pursuant to § 29.5-215 for the purpose of conducting bingo games.

4168 **§ 29.5-217. Conduct of instant bingo, network bingo, pull tabs, and seal cards.**

4169 A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also
4170 play instant bingo, network bingo, pull tabs, or seal cards; however, such games shall be played only at such
4171 times designated in the permit for regular bingo games and only at locations at which the organization is
4172 authorized to conduct regular bingo games pursuant to subsections E and F of § 29.5-216, except that a
4173 qualified organization that is issued a temporary permit pursuant to § 29.5-211 shall be authorized to play
4174 instant bingo, pull tabs, or seal cards in accordance with subsection D of § 29.5-213. It is prohibited to use
4175 an electronic device to conduct instant bingo, pull tabs, or seal cards except as permitted under § 29.5-215.

4176 B. Any organization conducting instant bingo, network bingo, pull tabs, or seal cards shall maintain a
4177 record of the date, quantity, and card value of instant bingo supplies purchased as well as the name and

4178 address of the supplier of such supplies. The organization shall also maintain a written invoice or receipt
4179 from a nonmember of the organization verifying any information required by this subsection. Such supplies
4180 shall be paid for only by check drawn on the gaming account of the organization. A complete inventory of all
4181 such gaming supplies shall be maintained by the organization on the premises where the gaming is being
4182 conducted.

4183 C. No qualified organization shall sell any instant bingo, network bingo, pull tabs, or seal cards to any
4184 individual younger than 18 years of age. No individual younger than 18 years of age shall play or redeem
4185 any instant bingo, network bingo, pull tabs, or seal cards.

4186 D. No qualified organization or any person on the premises shall extend lines of credit or accept any
4187 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for
4188 players to participate in instant bingo, network bingo, pull tabs, or seal cards.

4189 **§ 29.5-218. Conduct of network bingo.**

4190 A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also
4191 sell network bingo cards; however, network bingo shall be sold only at such times designated in the permit
4192 for regular bingo games and only at locations at which the organization is authorized to conduct regular
4193 bingo games pursuant to subsections E and F of § 29.5-216.

4194 B. Any organization selling network bingo cards shall maintain a record of the date and quantity of
4195 network bingo cards purchased from a licensed network bingo provider. The organization shall also maintain
4196 a written invoice or receipt from a licensed supplier verifying any information required by this subsection.
4197 Such supplies shall be paid for only by check drawn on the gaming account of the organization or by
4198 electronic fund transfer. A complete inventory of all such gaming supplies shall be maintained by the
4199 organization on the premises where network bingo cards are sold.

4200 C. No qualified organization shall sell any network bingo cards to any individual younger than 18 years
4201 of age. No individual younger than 18 years of age shall play or redeem any network bingo cards.

4202 D. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of
4203 any charges or assessments for players to participate in any network bingo game. However, no such
4204 organization shall accept postdated checks in payment of any charges or assessments for players to
4205 participate in network bingo games.

4206 E. No qualified organization or any person on the premises shall extend lines of credit or accept any

4207 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for
4208 players to participate in network bingo games.

4209 F. No qualified organization shall conduct network bingo more frequently than one day in any calendar
4210 week, which shall not be the same day of each week.

4211 G. No qualified organization shall sell network bingo cards on the Internet or other online service or
4212 allow the play of network bingo on the Internet or other online service. However, the location where network
4213 bingo games are conducted shall be equipped with a video monitor, television, or video screen, or any other
4214 similar means of visually displaying a broadcast or signal, that relays live, real-time video of the numbers as
4215 they are called by a live caller. The Internet or other online service may be used to relay information about
4216 winning players.

4217 H. Qualified organizations may award network bingo prizes on a graduated scale; however, no single
4218 network bingo prize shall exceed \$25,000.

4219 I. Nothing in this section shall be construed to prohibit an organization from participating in more than
4220 one network bingo network.

4221 **§ 29.5-219. Conduct of Texas Hold'em poker tournaments by qualified organizations; limitation of**
4222 **operator fee; conditions.**

4223 A. Any organization qualified to conduct bingo games on or after July 1, 2019, may conduct Texas
4224 Hold'em poker tournaments; however, no such organization may conduct individual Texas Hold'em poker
4225 games. The Board shall promulgate regulations establishing circumstances under which organizations
4226 qualified to conduct bingo games prior to July 1, 2019, may conduct Texas Hold'em poker tournaments.

4227 B. A qualified organization may contract with an operator to administer Texas Hold'em poker
4228 tournaments. Limitations on operator fees shall be established by Board regulations.

4229 C. A qualified organization shall accept only cash or, at its option, checks in payment of any charges or
4230 assessments for players to participate in Texas Hold'em poker tournaments. However, no such organization
4231 shall accept postdated checks in payment of any charges or assessments for players to participate in Texas
4232 Hold'em poker tournaments.

4233 D. No qualified organization or any person on the premises shall extend lines of credit or accept any
4234 credit or debit card or other electronic fund transfer in payment of any charges or assessments for players to
4235 participate in Texas Hold'em poker tournaments.

4236 E. No qualified organization shall allow any individual younger than 18 years of age to participate in
4237 Texas Hold'em poker tournaments.

4238 **§ 29.5-220. Joint operation of bingo games; written reports; joint permit required.**

4239 A. Any two or more qualified organizations may jointly organize and conduct bingo games provided both
4240 have fully complied with all other provisions of this chapter.

4241 B. Any two or more qualified organizations jointly conducting such games shall be (i) subject to the same
4242 restrictions and prohibitions contained in this chapter that would apply to a single organization conducting
4243 bingo games and (ii) required to furnish to the Commission a written report setting forth the location where
4244 such games will be held and the division of manpower, costs, and proceeds for each game to be jointly
4245 conducted.

4246 Upon a finding that the division of manpower and costs for each game bears a reasonable relationship to
4247 the division of proceeds, the Commissioner shall issue a joint permit.

4248 C. No bingo game shall be jointly conducted until the joint permit issued pursuant to subsection B is
4249 obtained by the organizations.

4250 **§ 29.5-221. Reports of gross receipts, electronic gaming adjusted gross receipts, and disbursements**
4251 **required; form of reports; failure to file.**

4252 A. 1. Each qualified organization shall keep a complete record of all:

4253 a. Inventory of charitable gaming supplies purchased.

4254 b. Receipts from its charitable gaming operation, including a breakdown of receipts attributable to each
4255 type of game offered.

4256 c. Electronic gaming adjusted gross receipts.

4257 d. Disbursements related to charitable gaming and electronic gaming operations, including a breakdown
4258 of disbursements for each purpose specified in subdivision 1 of § 29.5-224.

4259 2. Except as provided in §§ 29.5-206 and 29.5-222, each qualified organization shall file under penalty of
4260 perjury and at least annually, on a form prescribed by the Board, a report of all receipts and disbursements
4261 specified in subdivision 1, the amount of money on hand attributable to charitable gaming as of the end of the
4262 period covered by the report, and any other information related to its charitable gaming operation that the
4263 Commission may require. In addition, the Board, by regulation, may require any qualified organization,
4264 except any qualified organization that realizes annual gross receipts of \$40,000 or less, whose net receipts

4265 exceed a specified amount during any three-month period to file a report of its receipts and disbursements for
4266 such period. All reports filed pursuant to this section shall be a matter of public record.

4267 B. All reports required by this section shall be filed on or before the date prescribed by the Commissioner.
4268 The Board, by regulation, shall establish a schedule of late fees to be assessed for any organization that fails
4269 to submit required reports by the due date.

4270 C. Except as provided in § 29.5-206, each qualified organization shall designate or compensate an
4271 outside individual or group who shall be responsible for filing an annual, and, if required, quarterly,
4272 financial report if the organization goes out of business or otherwise ceases to conduct charitable gaming
4273 activities. The Commission shall require such reports as it deems necessary until all proceeds of any
4274 charitable gaming have been used for the purposes specified in § 29.5-203 or have been disbursed in a
4275 manner approved by the Commission.

4276 D. Each qualified organization shall maintain for three years a complete written record of (i) all
4277 charitable gaming sessions using Board-prescribed forms or reasonable facsimiles thereof approved by the
4278 Commission; (ii) the name and address of each individual to whom is awarded any charitable gaming prize
4279 or jackpot that meets or exceeds the requirements of Internal Revenue Service Publication 3079, as well as
4280 the amount of the award; and (iii) an itemized record of all receipts and disbursements, including operating
4281 costs and use of proceeds incurred in operating bingo games.

4282 E. The failure to file reports within 30 days of the time such reports are due shall cause the automatic
4283 revocation of the permit, and no organization shall conduct any bingo game or raffle thereafter until the
4284 report is properly filed and a new permit is obtained. However, the Commissioner may grant an extension of
4285 time for filing such reports for a period not to exceed 45 days if requested by an organization, provided the
4286 organization requests an extension within 15 days of the time such reports are due and all projected fees are
4287 paid. For the term of any such extension, the organization's permit shall not be automatically revoked, such
4288 organization may continue to conduct charitable gaming, or electronic gaming if authorized to do so
4289 pursuant to the provisions of this chapter, and no new permit shall be required.

4290 F. For purposes of this section, the requirement to file a report shall also include the payment of any
4291 applicable fees required to accompany such report.

4292 § 29.5-222. Reports of electronic gaming adjusted gross receipts by electronic gaming manufacturer
4293 required; form of reports; failure to file.

4294 A. Each electronic gaming manufacturer that holds a permit issued by the Commissioner pursuant to §
4295 29.5-225 shall keep a complete record of all electronic gaming adjusted gross receipts and shall file at least
4296 annually, on a form prescribed by the Board, a report of all such receipts and any other information related
4297 to the manufacture of electronic gaming devices that the Commission may require.

4298 B. The report required by this section shall be filed on or before the date prescribed by the Commission.
4299 The Board, by regulation, shall establish a schedule of late fees to be assessed for any electronic gaming
4300 manufacturer that fails to submit required reports by the due date.

4301 C. Each electronic gaming manufacturer shall maintain for three years a complete written record of all
4302 electronic gaming adjusted gross receipts.

4303 D. The failure to file the report required by this section within 30 days of the time such report is due shall
4304 cause the automatic revocation of the electronic gaming manufacturer's permit, and no such manufacturer
4305 shall manufacture any new electronic gaming device until the report is properly filed and a new permit is
4306 obtained. However, the Commissioner may grant an extension of time for filing such report for a period not
4307 to exceed 45 days if requested by a manufacturer, provided that the manufacturer requests an extension
4308 within 15 days of the time such report is due and all projected fees are paid. For the term of any such
4309 extension, the manufacturer's permit shall not be automatically revoked, such manufacturer may continue to
4310 manufacture electronic gaming devices, and no new permit shall be required.

4311 E. For purposes of this section, the requirement to file a report shall also include the payment of any
4312 applicable fees required to accompany such report.

4313 **§ 29.5-223. Audit of reports; exemption; audit and administration fee; additional assessment of gross**
4314 **receipts and electronic gaming adjusted gross receipts.**

4315 A. All reports filed pursuant to §§ 29.5-221 and 29.5-222 shall be subject to audit by the Commission in
4316 accordance with Board regulations. The Commission may engage the services of independent certified public
4317 accountants to perform any audits deemed necessary to fulfill the Commission's responsibilities under this
4318 chapter.

4319 B. The Commission shall prescribe a reasonable audit and administration fee to be paid by (i) any
4320 organization conducting charitable gaming under a permit issued by the Commissioner unless the
4321 organization is exempt from such fee pursuant to § 29.5-206 or (ii) any electronic gaming manufacturer that
4322 holds a permit issued by the Commissioner pursuant to § 29.5-225. Such fee shall not exceed one-half of one

4323 percent of the gross receipts that an organization reports pursuant to § 29.5-221 or one-half of one percent of
4324 the electronic gaming adjusted gross receipts that an electronic gaming manufacturer reports pursuant to §
4325 29.5-222. The audit and administration fee shall accompany each report for each calendar quarter.

4326 C. The audit and administration fee shall be payable to the Treasurer of Virginia. All such fees received
4327 by the Treasurer of Virginia shall be separately accounted for and shall be used only by the Commissioner
4328 for the purposes of auditing and regulating charitable gaming.

4329 D. In addition to the fee imposed under subsection B, an additional fee of (i) one-quarter of one percent of
4330 the gross receipts that an organization reports pursuant to § 29.5-221 shall be paid by the organization or
4331 (ii) one-quarter of one percent of the electronic gaming adjusted gross receipts that an electronic gaming
4332 manufacturer reports pursuant to § 29.5-222 shall be paid by the electronic gaming manufacturer to the
4333 Treasurer of Virginia. All such amounts shall be collected and deposited in the same manner as prescribed in
4334 subsections B and C and shall be used for the same purposes.

4335 **§ 29.5-224. Prohibited practices.**

4336 In addition to those other practices prohibited by this chapter, the following acts or practices are
4337 prohibited:

4338 1. No part of the gross receipts or electronic gaming adjusted gross receipts derived by a qualified
4339 organization may be used for any purpose other than (i) gaming expenses; (ii) reasonable and proper
4340 business expenses; and (iii) those lawful religious, charitable, community, or educational purposes for which
4341 the organization is specifically chartered or organized.

4342 2. Except as provided in § 29.5-226, no qualified organization shall enter into a contract with or
4343 otherwise employ for compensation any person for the purpose of organizing, managing, or conducting any
4344 charitable games. However, organizations composed of or for deaf or blind persons may use a part of their
4345 gross receipts for costs associated with providing clerical assistance in the management and operation but
4346 not the conduct of charitable gaming.

4347 The provisions of this subdivision shall not prohibit the joint operation of bingo games held in accordance
4348 with § 29.5-220.

4349 3. No person shall pay or receive for use of any premises wholly devoted to the conduct of any charitable
4350 games any consideration in excess of the current fair market rental value of such property. Fair market
4351 rental value consideration shall not be based upon or determined by reference to a percentage of the

4352 proceeds derived from the operation of any charitable games or to the number of people in attendance at
4353 such charitable games.

4354 4. No person shall participate in the management or operation of any charitable game unless such person
4355 is and, for a period of at least 30 days immediately preceding such participation, has been a bona fide
4356 member of the organization. For any organization that is not composed of members, a person who is not a
4357 bona fide member may volunteer in the conduct of a charitable game as long as that person is directly
4358 supervised by a bona fide official member of the organization.

4359 The provisions of this subdivision shall not apply to (i) persons employed as clerical assistants by
4360 qualified organizations composed of or for deaf or blind persons; (ii) employees of a corporate sponsor of a
4361 qualified organization, provided such employees' participation is limited to the management, operation, or
4362 conduct of no more than one raffle per year; (iii) the spouse or family member of any such bona fide member
4363 of a qualified organization, provided at least one bona fide member is present; or (iv) persons employed by a
4364 qualified organization authorized to sell pull tabs or seal cards in accordance with § 29.5-200, provided (a)
4365 such sales are conducted by no more than two on-duty employees and (b) such employees receive no
4366 compensation for or based on the sale of the pull tabs or seal cards.

4367 5. No person shall receive any remuneration for participating in the management, operation, or conduct
4368 of any charitable game, except that:

4369 a. Persons employed by organizations composed of or for deaf or blind persons may receive remuneration
4370 not to exceed \$30 per event for providing clerical assistance in the management and operation but not the
4371 conduct of charitable games only for such organizations;

4372 b. Persons under the age of 19 who sell raffle tickets for a qualified organization to raise funds for youth
4373 activities in which they participate may receive nonmonetary incentive awards or prizes from the
4374 organization;

4375 c. Remuneration may be paid to off-duty law-enforcement officers from the jurisdiction in which such
4376 bingo games are played for providing uniformed security for such bingo games even if such officer is a
4377 member of the sponsoring organization, provided the remuneration paid to such member is in accordance
4378 with off-duty law-enforcement personnel work policies approved by the local law-enforcement official and
4379 further provided that such member is not otherwise engaged in the management, operation, or conduct of the
4380 bingo games of that organization, or to private security services businesses licensed pursuant to § 9.1-139

4381 providing uniformed security for such bingo games, provided that employees of such businesses shall not
4382 otherwise be involved in the management, operation, or conduct of the bingo games of that organization;

4383 d. A member of a qualified organization lawfully participating in the management, operation, or conduct
4384 of a bingo game may be provided food and nonalcoholic beverages by such organization for on-premises
4385 consumption during the bingo game, provided the food and beverages are provided in accordance with
4386 Board regulations;

4387 e. Remuneration may be paid to bingo managers or callers who have a current registration certificate
4388 issued by the Commissioner in accordance with § 29.5-226, or who are exempt from such registration
4389 requirement. Such remuneration shall not exceed \$100 per session; and

4390 f. Volunteers of a qualified organization may be reimbursed for their reasonable and necessary travel
4391 expenses, not to exceed \$50 per session.

4392 6. No landlord shall, at bingo games conducted on the landlord's premises, (i) participate in the conduct,
4393 management, or operation of any bingo games; (ii) sell, lease, or otherwise provide for consideration any
4394 bingo supplies, including bingo cards, instant bingo cards, or other game pieces; or (iii) require as a
4395 condition of the lease or by contract that a particular manufacturer, distributor, or supplier of bingo supplies
4396 or equipment be used by the organization.

4397 The provisions of this subdivision shall not apply to any qualified organization conducting bingo games
4398 on its own behalf at premises owned by it.

4399 7. No qualified organization shall enter into any contract with or otherwise employ or compensate any
4400 member of the organization on account of the sale of bingo supplies or equipment.

4401 8. No organization shall award any bingo prize money or any merchandise valued in excess of the
4402 following amounts:

4403 a. No bingo door prize shall exceed \$250 for a single door prize or \$500 in cumulative door prizes in any
4404 one session;

4405 b. No regular bingo or special bingo game prize shall exceed \$100. However, up to 10 games per bingo
4406 session may feature a regular bingo or special bingo game prize of up to \$200;

4407 c. No instant bingo, pull tab, or seal card prize for a single card shall exceed \$2,000;

4408 d. Except as provided in this subdivision 8, no bingo jackpot of any nature whatsoever shall exceed
4409 \$1,000, nor shall the total amount of bingo jackpot prizes awarded in any one session exceed \$1,000.

4410 Proceeds from the sale of bingo cards and the sheets used for bingo jackpot games shall be accounted for
4411 separately from the bingo cards or sheets used for any other bingo games; and

4412 e. No single network bingo prize shall exceed \$25,000. Proceeds from the sale of network bingo cards
4413 shall be accounted for separately from bingo cards and sheets used for any other bingo game.

4414 9. The provisions of subdivision 8 shall not apply to any progressive bingo game, in which (i) a regular or
4415 special prize, not to exceed \$100, is awarded on the basis of predetermined numbers or patterns selected at
4416 random and (ii) a progressive prize, not to exceed \$500 for the initial progressive prize and \$5,000 for the
4417 maximum progressive prize, is awarded if the predetermined numbers or patterns are covered when a certain
4418 number of numbers is called, provided that (a) there are no more than six such games per session per
4419 organization, (b) the amount of increase of the progressive prize per session is no more than \$200, (c) the
4420 bingo cards or sheets used in such games are sold separately from the bingo cards or sheets used for any
4421 other bingo games, (d) the organization separately accounts for the proceeds from such sale, and (e) such
4422 games are otherwise operated in accordance with the Commission's rules of play.

4423 10. No organization shall award any raffle prize valued at more than \$100,000.

4424 The provisions of this subdivision shall not apply to a raffle conducted no more than three times per
4425 calendar year by a qualified organization qualified as a tax-exempt organization pursuant to § 501(c) of the
4426 Internal Revenue Code for a prize consisting of a lot improved by a residential dwelling where 100 percent of
4427 the moneys received from such a raffle, less deductions for the fair market value for the cost of acquisition of
4428 the land and materials, are donated to lawful religious, charitable, community, or educational organizations
4429 specifically chartered or organized under the laws of the Commonwealth and qualified as a § 501(c)
4430 tax-exempt organization. No more than one such raffle shall be conducted in any one geographical region of
4431 the Commonwealth.

4432 11. No qualified organization composed of or for deaf or blind persons that employs a person not a
4433 member to provide clerical assistance in the management and operation but not the conduct of any charitable
4434 games shall conduct such games unless it has in force fidelity insurance, as defined in § 38.2-120, written by
4435 an insurer licensed to do business in the Commonwealth.

4436 12. No person shall participate in the management or operation of any charitable game if he has ever
4437 been convicted of any felony or if he has been convicted of any misdemeanor involving fraud, theft, or
4438 financial crimes within the preceding five years. No person shall participate in the conduct of any charitable

4439 game if, within the preceding 10 years, he has been convicted of any felony or if, within the preceding five
4440 years, he has been convicted of any misdemeanor involving fraud, theft, or financial crimes. In addition, no
4441 person shall participate in the management, operation, or conduct of any charitable game if that person,
4442 within the preceding five years, has participated in the management, operation, or conduct of any charitable
4443 game that was found by the Commission or a court of competent jurisdiction to have been operated in
4444 violation of state law, local ordinance, or Board regulation.

4445 13. Qualified organizations jointly conducting bingo games pursuant to § 29.5-220 shall not circumvent
4446 any restrictions and prohibitions that would otherwise apply if a single organization were conducting such
4447 games. These restrictions and prohibitions shall include the frequency with which bingo games may be held,
4448 the value of merchandise or money awarded as prizes, or any other practice prohibited under this section.

4449 14. A qualified organization shall not purchase any charitable gaming supplies for use in the
4450 Commonwealth from any person who is not currently registered with the Commission as a supplier pursuant
4451 to § 29.5-225.

4452 15. Unless otherwise permitted in this chapter, no part of an organization's charitable gaming gross
4453 receipts shall be used for an organization's social or recreational activities.

4454 16. No organization qualified to conduct Texas Hold'em poker tournaments pursuant to § 29.5-219 shall
4455 conduct any Texas Hold'em poker games where the game has no predetermined end time and the players
4456 wager actual money or poker chips that have cash value.

4457 § 29.5-225. Suppliers of charitable gaming supplies; manufacturers of electronic gaming devices;
4458 permit; qualification; suspension, revocation, or refusal to renew certificate; maintenance, production,
4459 and release of records.

4460 A. No person shall offer to sell, sell, or otherwise provide charitable gaming supplies to any qualified
4461 organization and no manufacturer shall distribute electronic gaming devices for charitable gaming in the
4462 Commonwealth unless and until such person has made application for and has been issued a permit by the
4463 Commissioner. An application for permit shall be made on forms prescribed by the Board and shall be
4464 accompanied by a fee in the amount of \$1,000. Each permit shall remain valid for a period of one year from
4465 the date of issuance. Application for renewal of a permit shall be accompanied by a fee in the amount of
4466 \$1,000 and shall be made on forms prescribed by the Board.

4467 B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the

4468 provisions of this chapter for the registration of suppliers and manufacturers of electronic gaming devices for
4469 charitable gaming. The Commissioner shall refuse to issue a permit to any supplier or manufacturer who
4470 has, or who has any officer, director, partner, or owner who has, (i) been convicted of or pleaded nolo
4471 contendere to a felony in any state or federal court or has been convicted of any offense that, if committed in
4472 the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo contendere to a crime involving
4473 gambling; (iii) violated the gaming laws of any jurisdiction within the last five years, including violations for
4474 failure to register; or (iv) had any license, permit, certificate, or other authority related to charitable gaming
4475 suspended or revoked in the Commonwealth or in any other jurisdiction within the last five years. The
4476 Commissioner may refuse to issue a permit to any supplier or manufacturer who has, or who has any officer,
4477 director, partner, or owner who has, (a) failed to file or has been delinquent in excess of one year in the filing
4478 of any tax returns or the payment of any taxes due the Commonwealth or (b) failed to establish a registered
4479 office or registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

4480 C. The Commissioner shall suspend, revoke, or refuse to renew the permit of any supplier or
4481 manufacturer for any conduct described in clause (i), (ii), (iii), or (iv) of subsection B. The Commissioner
4482 shall suspend, revoke, or refuse to renew the permit of any supplier or manufacturer for any conduct
4483 described in clause (a) or (b) of subsection B or for any violation of this chapter or regulation of the Board.
4484 Before taking any such action, the Commissioner shall give the supplier or manufacturer a written statement
4485 of the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in
4486 a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

4487 D. Each supplier shall document each sale of charitable gaming supplies, including electronic gaming
4488 devices, and other items incidental to the conduct of charitable gaming, such as markers, wands, or tape, to a
4489 qualified organization on an invoice that clearly shows (i) the name and address of the qualified organization
4490 to which such supplies or items were sold; (ii) the date of the sale; (iii) the name or form and serial number
4491 of each deal of instant bingo cards and pull-tab raffle cards, the quantity of deals sold, and the price per deal
4492 paid by the qualified organization; (iv) the serial number of the top sheet in each packet of bingo paper, the
4493 serial number for each series of uncollated bingo paper, and the cut, color, and quantity of bingo paper sold;
4494 and (v) any other information with respect to charitable gaming supplies, including electronic gaming
4495 devices, or other items incidental to the conduct of charitable gaming as the Board may prescribe by
4496 regulation. A legible copy of the invoice shall accompany the charitable gaming supplies when delivered to

4497 the qualified organization.

4498 Each manufacturer of electronic gaming devices shall document each distribution of such devices to a
4499 qualified organization or supplier on an invoice that clearly shows (a) the name and address of the qualified
4500 organization or supplier to which such systems were distributed; (b) the date of distribution; (c) the serial
4501 number of each such device; and (d) any other information with respect to electronic gaming devices as the
4502 Board may prescribe by regulation. A legible copy of the invoice shall accompany the electronic gaming
4503 devices when delivered to the qualified organization or supplier.

4504 E. Each supplier and manufacturer shall maintain a legible copy of each invoice required by subsection D
4505 for a period of three years from the date of sale. Each supplier and manufacturer shall make such documents
4506 immediately available for inspection and copying to any agent or employee of the Commission upon request
4507 made during normal business hours. This subsection shall not limit the right of the Commission to require the
4508 production of any other documents in the possession of the supplier or manufacturer that relate to its
4509 transactions with qualified organizations. All documents and other information of a proprietary nature
4510 furnished to the Commission in accordance with this subsection shall not be a matter of public record and
4511 shall be exempt from disclosure under the provisions of the Virginia Freedom of Information Act (§ 2.2-3700
4512 et seq.).

4513 F. Each supplier and manufacturer shall provide to the Commission the results of background checks and
4514 any other records or documents necessary for the Commission to enforce the provisions of subsections B and
4515 C.

4516 **§ 29.5-226. Bingo managers and callers; remuneration; registration; qualification; suspension,**
4517 **revocation, or refusal to renew certificate; exceptions.**

4518 A. No person shall receive remuneration as a bingo manager or caller from any qualified organization
4519 unless and until such person has made application for and has been issued a registration certificate by the
4520 Commissioner. Application for registration shall be made on forms prescribed by the Board and shall be
4521 accompanied by a fee in the amount of \$75. Each registration certificate shall remain valid for a period of
4522 one year from the date of issuance. Application for renewal of a registration certificate shall be accompanied
4523 by a fee in the amount of \$75 and shall be made on forms prescribed by the Board.

4524 B. As a condition of registration as a bingo manager, the applicant shall (i) have been a bona fide
4525 member of the qualified organization for at least 12 consecutive months prior to making application for

4526 registration and (ii) be required to complete a reasonable training course developed and conducted by the
4527 Board.

4528 As a condition of registration as a bingo caller, the applicant shall be required to complete a reasonable
4529 training course developed and conducted by the Board.

4530 The Commissioner may refuse to register any bingo manager or caller who has (a) been convicted of or
4531 pleaded nolo contendere to a felony in any state or federal court or has been convicted of any offense that, if
4532 committed in the Commonwealth, would be a felony; (b) been convicted of or pleaded nolo contendere to a
4533 crime involving gambling; (c) had any license, permit, certificate, or other authority related to activities
4534 defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any
4535 other jurisdiction; or (d) failed to file or has been delinquent in excess of one year in the filing of any tax
4536 returns or the payment of any taxes due the Commonwealth.

4537 C. The Commissioner may suspend, revoke, or refuse to renew the registration certificate of any bingo
4538 manager or caller for any conduct described in subsection B or for any violation of this chapter or Board
4539 regulations. Before taking any such action, the Commissioner shall give the bingo manager or caller a
4540 written statement of the grounds upon which he proposes to take such action and an opportunity to be heard.
4541 Every hearing in a contested case shall be conducted in accordance with the Administrative Process Act (§
4542 2.2-4000 et seq.).

4543 D. The provisions of subsection A requiring registration for bingo callers with the Commission shall not
4544 apply to a bingo caller for a volunteer fire department or volunteer emergency medical services agency or
4545 auxiliary unit thereof that has been recognized in accordance with § 15.2-955 by an ordinance or resolution
4546 of the political subdivision where the volunteer fire department or volunteer emergency medical services
4547 agency is located as being a part of the safety program of such political subdivision.

4548 § 29.5-227. Licensing of network bingo providers; qualification; suspension, revocation, or refusal to
4549 renew license; maintenance, production, and release of records.

4550 A. No person shall sell or offer to sell or otherwise provide access to a network bingo network to any
4551 qualified organization unless and until such person has made application for and has been issued a license
4552 by the Commissioner. An application for license shall be made on forms prescribed by the Board and shall be
4553 accompanied by a fee in the amount of \$500. Each license shall remain valid for a period of two years from
4554 the date of issuance. Application for renewal of a license shall be accompanied by a fee in the amount of

4555 \$500 and shall be made on forms prescribed by the Board.

4556 B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the
4557 provisions of this chapter for the licensure of network bingo providers. The Commissioner may refuse to issue
4558 a license to any network bingo provider that has any officer, director, partner, or owner who has (i) been
4559 convicted of or pleaded nolo contendere to a felony in any state or federal court or has been convicted of any
4560 offense that, if committed in the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo
4561 contendere to a crime involving gambling; (iii) had any license, permit, certificate, or other authority related
4562 to activities defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth
4563 or in any other jurisdiction; (iv) failed to file or been delinquent in excess of one year in the filing of any tax
4564 returns or the payment of any taxes due the Commonwealth; or (v) failed to establish a registered office or
4565 registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

4566 C. The Commissioner may suspend, revoke, or refuse to renew the license of any network bingo provider
4567 for any conduct described in subsection B or for any violation of this chapter or regulation of the Board.
4568 Before taking any such action, the Commissioner shall give the network bingo provider a written statement of
4569 the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in a
4570 contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

4571 D. The Board by regulation shall require network bingo providers to have onsite independent supervision
4572 of network bingo games as the numbers are called.

4573 E. Each network bingo provider shall document each sale of network bingo supplies and other items
4574 incidental to the conduct of network bingo to a qualified organization on an invoice that clearly shows (i) the
4575 name and address of the qualified organization to which such supplies or items were sold; (ii) the date of the
4576 sale; (iii) the name or form and serial number of each network bingo card, the quantity of cards sold, and the
4577 price per card paid by the qualified organization; and (iv) any other information required by the
4578 Commission. A legible copy of the invoice shall accompany the network bingo supplies when delivered to the
4579 qualified organization.

4580 F. Each network bingo provider shall maintain a legible copy of each invoice required by subsection E for
4581 a period of three years from the date of sale. Each network bingo provider shall make such documents
4582 immediately available for inspection and copying to any agent or employee of the Commission upon request
4583 made during normal business hours. This subsection shall not limit the right of the Commission to require the

4584 production of any other documents in the possession of the network bingo provider that relate to its
4585 transactions with qualified organizations. All documents and other information of a proprietary nature
4586 furnished to the Commission in accordance with this subsection shall be exempt from disclosure under the
4587 provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

4588 **§ 29.5-228. Suspension of permit and registration.**

4589 A. When any officer charged with the enforcement of the charitable gaming laws of the Commonwealth
4590 has reasonable cause to believe that the conduct of charitable gaming is being conducted by an organization
4591 in violation of this chapter or Board regulations, he may apply to any judge, magistrate, or other person
4592 having authority to issue criminal warrants for the immediate suspension of the permit or registration of the
4593 organization conducting charitable gaming. If the judge, magistrate, or person to whom such application is
4594 presented is satisfied that probable cause exists to suspend the permit or registration, he shall suspend the
4595 permit or registration. Immediately upon such suspension, the officer shall notify the organization in writing
4596 of such suspension.

4597 B. Written notice specifying the particular basis for the immediate suspension shall be provided by the
4598 officer to the organization within one business day of the suspension and a hearing held thereon by the
4599 Commission or its designated hearing officer within 10 days of the suspension unless the organization
4600 consents to a later date. No charitable gaming shall be conducted by the organization until the suspension
4601 has been lifted by the Commission or a court of competent jurisdiction.

4602 **§ 29.5-229. Civil penalty.**

4603 A. Any person or organization, whether permitted or qualified pursuant to this chapter or not, that (i)
4604 conducts charitable gaming without first obtaining a permit to do so, (ii) continues to conduct such games
4605 after revocation or suspension of such permit, or (iii) otherwise violates any provision of this chapter shall, in
4606 addition to any other penalties provided, be subject to a civil penalty of not less than \$25,000 and not more
4607 than \$50,000 per incident. Any civil penalties collected pursuant to this section shall be payable to the State
4608 Treasurer for remittance to the Commission.

4609 B. Any electronic gaming manufacturer, whether permitted pursuant to this chapter or not, shall, in
4610 addition to any other penalties provided, be subject to the penalty identified in subsection A for any violation
4611 of any provision of this chapter.

4612 **§ 29.5-230. Criminal penalties.**

4613 A. Any person who violates the provisions of this chapter or who willfully and knowingly files, or causes
4614 to be filed, a false application, report, or other document or who willfully and knowingly makes a false
4615 statement, or causes a false statement to be made, on any application, report, or other document required to
4616 be filed with or made to the Commission is guilty of a Class 1 misdemeanor.

4617 B. Each day in violation of this section shall constitute a separate offense.

4618 C. Any person who converts funds derived from any charitable gaming to his own or another's use, when
4619 the amount of funds is less than \$1,000, is guilty of petit larceny and, when the amount of funds is \$1,000 or
4620 more, is guilty of grand larceny. The provisions of this section shall not preclude the applicability of any
4621 other provision of the criminal law of the Commonwealth that may apply to any course of conduct that
4622 violates this section.

4623 CHAPTER 3.

4624 CASINO GAMING.

4625 Article 1.

4626 General Provisions.

4627 § 29.5-300. Definitions.

4628 As used in this chapter, unless the context requires a different meaning:

4629 "Adjusted gross receipts" means the gross receipts from casino gaming less winnings paid to winners.

4630 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines,
4631 roulette wheels, Klondike tables, Mah Jongg, electronic table games, hybrid table games, punchboards, faro
4632 layouts, numbers tickets, push cards, jar tickets, or pull tabs, or any variation of the aforementioned games,
4633 and any other activity that is authorized by the Board as a wagering game or device under this chapter.

4634 "Casino gaming" or "game" includes on-premises mobile casino gaming.

4635 "Casino gaming establishment" means the premises, including the entire property located at the address
4636 of the licensed casino, upon which lawful casino gaming is authorized and licensed as provided in this
4637 chapter. "Casino gaming establishment" does not include a riverboat or similar vessel.

4638 "Casino gaming operator" means any person issued a license by the Commissioner to operate a casino
4639 gaming establishment.

4640 "Cheat" means to alter the selection criteria that determine the result of a game or the amount or
4641 frequency of payment in a game for the purpose of obtaining an advantage for one or more participants in a

4642 game over other participants in a game.

4643 "Counter check" means an interest-free negotiable instrument for a specified amount executed by a player
4644 and held by the casino that serves as evidence of the casino gaming patron's obligation to pay the casino and
4645 that can be exchanged by the casino gaming patron for the specified amount in chips, tokens, credits,
4646 electronic credits, electronic cash, or electronic cards.

4647 "Eligible host city" means any city described in § 29.5-307 in which a casino gaming establishment is
4648 authorized to be located.

4649 "Entity" means a person that is not a natural person.

4650 "Gaming operation" means the conduct of authorized casino gaming within a casino gaming
4651 establishment.

4652 "Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens, electronic
4653 credits, electronic cash, or electronic cards by casino gaming patrons. "Gross receipts" does not include the
4654 cash value of promotions or credits provided to and exchanged by casino gaming patrons for chips, tokens,
4655 electronic credits, electronic cash, or electronic cards. "Gross receipts" also does not include uncollectable
4656 counter checks.

4657 "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an
4658 officer or employee and who is a dependent of the officer or employee or of whom the officer or employee is a
4659 dependent.

4660 "Individual" means a natural person.

4661 "Licensee" or "license holder" means any person holding an operator's license under § 29.5-312.

4662 "On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator at a
4663 casino gaming establishment using a computer network of both federal and nonfederal interoperable
4664 packet-switched data networks through which the casino gaming operator may offer casino gaming to
4665 individuals who have established an on-premises mobile casino gaming account with the casino gaming
4666 operator and who are physically present on the premises of the casino gaming establishment, as authorized
4667 by regulations promulgated by the Board.

4668 "Permit holder" means any person holding a supplier or service permit pursuant to this chapter.

4669 "Person" means an individual, partnership, joint venture, association, limited liability company, stock
4670 corporation, or nonstock corporation and includes any person that directly or indirectly controls or is under

4671 common control with another person.

4672 "Preferred casino gaming operator" means the proposed casino gaming establishment and operator
4673 thereof submitted by an eligible host city to the Board as an applicant for licensure.

4674 "Prepaid access instrument" means a system device that allows a casino gaming patron access to funds
4675 that have been paid in advance and can be retrieved or transferred at some point in the future through such a
4676 device. In order to transfer funds for gaming purposes, a prepaid access instrument shall be redeemed for
4677 tokens, chips, credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an
4678 approved cashless wagering system or interactive gaming account.

4679 "Principal" means any individual who solely or together with his immediate family members (i) owns or
4680 controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a licensee or
4681 (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other ownership
4682 interests of such entity, and any person who manages a gaming operation on behalf of a licensee.

4683 "Professional sports" means the same as that term is defined in § 29.5-400.

4684 "Security" has the same meaning as provided in § 13.1-501. If the Board finds that any obligation, stock,
4685 or other equity interest creates control of or voice in the management operations of an entity in the manner of
4686 a security, then such interest shall be considered a security.

4687 "Sports betting" means the same as that term is defined in § 29.5-400.

4688 "Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment
4689 licensed pursuant to this chapter that is designated for sports betting.

4690 "Supplier" means any person that sells or leases, or contracts to sell or lease, any casino gaming
4691 equipment, devices, or supplies, or provides any management services, to a licensee.

4692 "Voluntary exclusion program" means a program established by the Board pursuant to § 29.5-118 that
4693 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision
4694 1 of § 29.5-118 by placing their names on a voluntary exclusion list and following the procedures set forth by
4695 the Board.

4696 "Youth sports" means the same as that term is defined in § 29.5-400.

4697 **§ 29.5-301. Regulation and control of casino gaming; limitation.**

4698 A. Casino gaming shall be licensed and permitted as herein provided to benefit the people of the
4699 Commonwealth. The Board is vested with authority to prescribe regulations and conditions under this

4700 chapter. The Commissioner shall retain control of all other facets of control for all casino gaming in the
4701 Commonwealth. The purposes of this chapter are to assist economic development, promote tourism, and
4702 provide for the implementation of casino gaming operations of the highest quality, honesty, and integrity and
4703 free of any corrupt, incompetent, dishonest, or unprincipled practices.

4704 B. The conduct of casino gaming shall be limited to the qualified locations established in § 29.5-307. The
4705 Commissioner shall be limited to the issuance of a single operator's license for each such qualified location.

4706 C. The conduct of any casino gaming and entrance to such establishment is a privilege that may be
4707 granted or denied by the Commissioner or his duly authorized representatives in his discretion in order to
4708 effectuate the purposes set forth in this chapter. Any proposed site for a casino gaming establishment shall be
4709 privately owned property subject to the local land use and property taxation authority of the eligible host city
4710 in which the casino gaming establishment is located.

4711 § 29.5-302. Additional powers of the Commissioner.

4712 In addition to the powers and duties set forth in § 29.5-102, the Commissioner shall:

4713 1. Issue permits and licenses under this chapter and supervise all gaming operations licensed under the
4714 provisions of this chapter, including all persons conducting or participating in any gaming operation. The
4715 Commissioner shall employ such persons to be present during gaming operations as are necessary to ensure
4716 that such gaming operations are conducted with order and the highest degree of integrity.

4717 2. Issue an operator's license only to a person who meets the criteria of § 29.5-309.

4718 3. Suspend, revoke, or refuse to renew any license or permit issued pursuant to this chapter.

4719 4. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license
4720 or permit, whose conduct or reputation is such that his presence may, in the opinion of the Commissioner,
4721 reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming
4722 operations.

4723 5. Immediately upon the receipt of a credible complaint of an alleged criminal violation of this chapter,
4724 report the complaint to the Attorney General and the Office of the Gaming Enforcement Coordinator at the
4725 Department of State Police for appropriate action.

4726 6. Inspect and investigate, and have free access to, the offices, facilities, or other places of business of any
4727 licensee or permit holder and may compel the production of any of the books, documents, records, or
4728 memoranda of any licensee or permit holder for the purpose of ensuring compliance with this chapter and

4729 Board regulations.

4730 7. Compel any person holding a license or permit pursuant to this chapter to file with the Commission
4731 such information as shall appear to the Commissioner to be necessary for the performance of the
4732 Commission's functions, including financial statements and information relative to principals and all others
4733 with any pecuniary interest in such person.

4734 8. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings
4735 commenced pursuant to § 29.5-305, to have violated any of the provisions of this chapter or regulations
4736 promulgated by the Board.

4737 9. Report annually to the Governor and the General Assembly on the expenses incurred in the regulation
4738 of casino gaming operations. Such annual report shall also include recommendations for changes in this
4739 chapter, as the Commissioner and Board deem necessary or desirable.

4740 10. Report immediately to the Governor and the General Assembly any matters that require immediate
4741 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules
4742 and regulations adopted hereunder or to rectify undesirable conditions in connection with the operation or
4743 regulation of casino gaming in the Commonwealth.

4744 **§ 29.5-303. Additional powers and duties of the Board; regulations.**

4745 In addition to the powers and duties set forth in § 29.5-104, the Board shall have the power and duty to:

4746 1. Adopt regulations regarding the conditions under which casino gaming shall be conducted in the
4747 Commonwealth and all such other regulations it deems necessary and appropriate to further the purposes of
4748 this chapter.

4749 2. Issue subpoenas for the attendance of witnesses before the Board, administer oaths, and compel
4750 production of records or other documents and testimony of such witnesses whenever in the judgment of the
4751 Board it is necessary to do so for the effectual discharge of its duties.

4752 3. Order such audits as it deems necessary and desirable.

4753 4. Provide for the withholding of the applicable amount of state and federal income tax of persons
4754 claiming a prize or payoff for winning a game and establish the thresholds for such withholdings.

4755 **§ 29.5-304. Fingerprints and background investigations.**

4756 The Commissioner, in conjunction with an accredited law-enforcement agency, shall conduct a
4757 background investigation, including a criminal history records check and fingerprinting, of the following

4758 individuals: (i) every individual applying for a license or permit pursuant to this chapter; (ii) every individual
4759 who is an officer, director, or principal of a licensee or applicant for a license and every employee of the
4760 licensee who conducts gaming operations; (iii) all security personnel of any licensee; and (iv) all permit
4761 holders and officers, directors, principals, and employees of permit holders whose duties relate to gaming
4762 operations in the Commonwealth. Each such individual shall submit his fingerprints and personal descriptive
4763 information to the Central Criminal Records Exchange to be forwarded to the Federal Bureau of
4764 Investigation for a national criminal records search and to the Department of State Police for a Virginia
4765 criminal history records check. The results of the background check and national and state criminal records
4766 check shall be returned to the Commissioner.

4767 **§ 29.5-305. Hearing and appeal.**

4768 Any person aggrieved by a refusal of the Commissioner to issue any license or permit, the suspension or
4769 revocation of a license or permit, the imposition of a fine, or any other action of the Commission may seek
4770 review of such action in accordance with Board regulations and Article 3 (§ 2.2-4018 et seq.) of the
4771 Administrative Process Act in the Circuit Court of the City of Richmond. Further appeals shall also be in
4772 accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

4773 **§ 29.5-306. Injunction.**

4774 The Commission may apply to the appropriate circuit court for an injunction against any person who has
4775 violated or may violate any provision of this chapter, Board regulation, or final decision of the Commission.
4776 The order granting or refusing such injunction shall be subject to appeal as in other cases in equity.

4777 Article 2.

4778 Eligible Host City; Certification of Preferred Casino Gaming Operator.

4779 **§ 29.5-307. Eligible host city; certification of preferred casino gaming operator.**

4780 A. The conduct of casino gaming shall be limited to the following eligible host cities:

4781 1. Any city (i) in which at least 40 percent of the assessed value of all real estate in such city is exempt
4782 from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal
4783 Year 2018, and (ii) that experienced a population decrease of at least seven percent from 1990 to 2016,
4784 according to data provided by the U.S. Census Bureau;

4785 2. Any city that had (i) an annual unemployment rate of at least five percent in 2018, according to data
4786 provided by the U.S. Bureau of Labor Statistics; (ii) an annual poverty rate of at least 20 percent in 2017,

4787 according to data provided by the U.S. Census Bureau; and (iii) a population decrease of at least 20 percent
4788 from 1990 to 2016, according to data provided by the U.S. Census Bureau;

4789 3. Any city that (i) had an annual unemployment rate of at least 3.6 percent in 2018, according to data
4790 provided by the U.S. Bureau of Labor Statistics; (ii) had an annual poverty rate of at least 20 percent in
4791 2017, according to data provided by the U.S. Census Bureau; (iii) experienced a population decrease of at
4792 least four percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and (iv) is
4793 located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act;

4794 4. Any city (i) with a population greater than 200,000 according to the 2018 population estimates from
4795 the Weldon Cooper Center for Public Service of the University of Virginia; (ii) in which at least 24 percent of
4796 the assessed value of all real estate in such city is exempt from local property taxation, according to the
4797 Virginia Department of Taxation Annual Report for Fiscal Year 2018; and (iii) that experienced a population
4798 decrease of at least five percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;
4799 and

4800 5. Any city (i) in which at least 17 percent of the assessed value of all real estate in such city is exempt
4801 from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal
4802 Year 2016; (ii) that had a poverty rate of at least 21 percent in 2019, according to data provided by the U.S.
4803 Census Bureau; and (iii) that had an annual unemployment rate of at least 13 percent in 2020, according to
4804 data provided by the U.S. Bureau of Labor and Statistics.

4805 B. In selecting a preferred casino gaming operator, an eligible host city shall have considered and given
4806 substantial weight to factors such as:

4807 1. The potential benefit and prospective revenues of the proposed casino gaming establishment.

4808 2. The total value of the proposed casino gaming establishment.

4809 3. The proposed capital investment and the financial health of the proposer and any proposed
4810 development partners.

4811 4. The experience of the proposer and any development partners in the operation of a casino gaming
4812 establishment.

4813 5. Security plans for the proposed casino gaming establishment.

4814 6. The economic development value of the proposed casino gaming establishment and the potential for
4815 community reinvestment and redevelopment in an area in need of such.

4816 7. Availability of city-owned assets and privately owned assets, such as real property, including where
4817 there is only one location practicably available or land under a development agreement between a potential
4818 operator and the city, incorporated in the proposal.

4819 8. The best financial interest of the city.

4820 9. The proposer's status as a minority-owned business as defined in § 2.2-1604 or the proposer's
4821 commitment to solicit equity investment in the proposed casino gaming establishment from one or more
4822 minority-owned businesses and the proposer's commitment to solicit contracts with minority-owned
4823 businesses for the purchase of goods and services.

4824 C. The Commissioner shall, upon request of any eligible host city, provide a list of resources that may be
4825 of assistance in evaluating the technical merits of any proposal submitted pursuant to this section, provided
4826 that selection of the preferred casino gaming operator shall be at the city's sole discretion.

4827 D. The eligible host city described in subdivision A 4 shall provide substantial and preferred
4828 consideration to a proposer who is a Virginia Indian tribe recognized in House Joint Resolution No. 54
4829 (1983) and acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the Interior as
4830 an Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as a
4831 matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25 U.S.C. §
4832 2701 et seq.).

4833 E. An eligible host city shall promptly submit its preferred casino gaming operator to the Commission for
4834 review prior to scheduling the referendum required by § 29.5-325. An eligible host city shall include with the
4835 submission any written or electronic documentation considered as part of the criteria in subsection B,
4836 including any memorandums of understanding, incentives, development agreements, land purchase
4837 agreements, or local infrastructure agreements. The Commissioner shall conduct a preliminary review of the
4838 financial status and ability of the preferred casino gaming operator to operate and properly support ongoing
4839 operations in an eligible host city, as well as current casino operations in other states and territories. The
4840 Commissioner shall conduct such review within 45 days of receipt of the submission by the eligible host city.
4841 An eligible host city and preferred casino gaming operator shall fully cooperate with all necessary requests
4842 by the Commissioner in that regard. Upon successful preliminary review, the Commissioner shall certify
4843 approval for the eligible host city to proceed to the referendum required by § 29.5-325. The Board shall
4844 develop guidelines establishing procedures and criteria for conducting the preliminary review required by

4845 this subsection. Certification by the Commissioner to proceed to referendum shall in no way entitle the
4846 preferred casino gaming operator to approval of any application to operate a casino gaming establishment.

4847 **§ 29.5-308. Regional Improvement Commission.**

4848 There is hereby established the Regional Improvement Commission (the RIC). The membership of the RIC
4849 shall consist of one member appointed by the local governing body of each jurisdiction composing the
4850 transportation district created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) that
4851 includes the eligible host city described in subdivision A 3 of § 29.5-307. Each member shall be appointed to
4852 serve a two-year term. Notwithstanding the provisions of subdivision B 1 of § 29.5-327, for a casino gaming
4853 establishment located in the eligible host city described in subdivision A 3 of § 29.5-307, such transfer,
4854 otherwise returned to the city where it was collected, shall instead be made to the RIC. The purpose of the
4855 RIC shall be to (i) receive disbursements made to it; (ii) establish funding priorities for member localities
4856 related to improvements in the areas of education, transportation, and public safety; and (iii) make annual
4857 payments divided equally among the jurisdictions to fund the established priorities as determined by the RIC.

4858 Article 3.

4859 Licenses and Supplier's Permits.

4860 **§ 29.5-309. Operator's license required; capital investment; equity interest; transferability; fee.**

4861 A. No person shall operate a casino gaming establishment unless he has obtained an operator's license
4862 issued by the Commissioner in accordance with the provisions of this chapter and the regulations
4863 promulgated pursuant to this chapter.

4864 B. To obtain an operator's license issued under the provisions of this chapter, the applicant shall (i) make
4865 a capital investment of at least \$300 million in a casino gaming establishment, including the value of the real
4866 property upon which such establishment is located and all furnishings, fixtures, and other improvements, and
4867 (ii) possess an equity interest equal to at least 20 percent of the casino gaming establishment.

4868 C. A license issued under the provisions of this chapter shall be transferable, provided that the
4869 Commissioner has approved the proposed transfer and all licensure requirements are satisfied at the time the
4870 transfer takes effect.

4871 D. A nonrefundable fee of \$15 million shall be paid by the applicant to the Commission upon the issuance
4872 of a license and upon any subsequent transfer of a license to operate a casino gaming establishment. Such
4873 fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established

4874 pursuant to § 29.5-119.

4875 E. No person issued a license pursuant to this chapter shall be precluded from obtaining a license for
4876 online sports betting pursuant to Chapter 4 (§ 29.5-400 et seq.) or any subsequently created online sports
4877 betting license.

4878 § 29.5-310. Submission of preferred casino gaming operator by eligible host city; application for
4879 operator's license; penalty.

4880 A. If a majority of those voting in a referendum held pursuant to § 29.5-325 vote in the affirmative, the
4881 eligible host city shall certify its preferred casino gaming operator and submit such certification to the
4882 Commission within 30 days.

4883 B. Any preferred casino gaming operator desiring to operate a casino gaming establishment shall file
4884 with the Commission an application for an operator's license. Such application shall be filed at the place
4885 prescribed by the Board and shall be in such form and contain such information as prescribed by the Board,
4886 including the following:

4887 1. The name and address of such person; if a corporation, the state of its incorporation, the full name and
4888 address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to do
4889 business in the Commonwealth; if a partnership or joint venture, the name and address of each general
4890 partner thereof; if a limited liability company, the name and address of each manager thereof; or, if another
4891 entity, the name and address of each person performing duties similar to those of officers, directors, and
4892 general partners;

4893 2. The name and address of each principal and of each person who has contracted to become a principal
4894 of the applicant, including providing management services with respect to any part of gaming operations; the
4895 nature and cost of such principal's interest; and the name and address of each person who has agreed to lend
4896 money to the applicant;

4897 3. Such information as the Board considers appropriate regarding the character, background, and
4898 responsibility of the applicant and the principals, officers, and directors of the applicant;

4899 4. A description of the casino gaming establishment in which such gaming operations are to be conducted,
4900 the city where such casino gaming establishment will be located, and the applicant's capital investment plan
4901 for the site. The Board shall require such information about a casino gaming establishment and its location
4902 as it deems necessary and appropriate to determine whether it complies with the minimum standards

4903 provided in this chapter and whether gaming operations at such location will be in furtherance of the
4904 purposes of this chapter:

4905 5. Such information relating to the financial responsibility of the applicant, including the applicant's
4906 financing plan for the casino gaming establishment, and the applicant's ability to perform under its license as
4907 the Board considers appropriate:

4908 6. If any of the facilities necessary for the conduct of gaming operations are to be leased, the terms of
4909 such lease:

4910 7. Evidence of compliance by the applicant with the economic development and land use plans and design
4911 review criteria of the local governing body of the city in which the casino gaming establishment is proposed
4912 to be located, including certification that the project complies with all applicable land use ordinances
4913 pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2:

4914 8. Such information necessary to enable the Commissioner to review the application based upon the best
4915 financial interests of the Commonwealth:

4916 9. Such information necessary to enable the Commissioner to authorize on-premises mobile casino
4917 gaming pursuant to this chapter:

4918 10. Submission of the following: (i) a minority investment plan disclosing any equity interest owned by a
4919 minority individual or minority-owned business or the applicant's efforts to seek equity investment from
4920 minority individuals or minority-owned businesses and (ii) a plan for the participation of minority individuals
4921 or minority-owned businesses in the applicant's purchase of goods and services related to the casino gaming
4922 establishment. As used in this subdivision, "minority individual" and "minority-owned business" mean the
4923 same as those terms are defined in § 2.2-1604; and

4924 11. Any other information that the Board in its discretion considers appropriate.

4925 C. A nonrefundable application fee of \$50,000 shall be paid for each principal at the time of filing to
4926 defray the costs associated with the background investigation conducted for the Commission. If the
4927 reasonable costs of the investigation exceed the application fee, the applicant shall pay the additional amount
4928 to the Commission. The Board may establish regulations calculating the reasonable costs to the Commission
4929 in performing its functions under this chapter and allocating such costs to the applicants for licensure at the
4930 time of filing.

4931 D. Any license application from an Indian tribe as described in subsection D of § 29.5-307 shall certify

4932 that the material terms of the relevant development agreements between the Indian tribe and any
4933 development partner have been determined in the opinion of the Office of General Counsel of the National
4934 Indian Gaming Commission after review not to deprive the Indian tribe of the sole proprietor interest in the
4935 gaming operations for purposes of federal Indian gaming law.

4936 E. Any application filed pursuant to this chapter shall be verified by the oath or affirmation of the
4937 applicant. Any person who knowingly makes a false statement on an application is guilty of a Class 4 felony.

4938 F. The licensed operator shall be the person primarily responsible for the gaming operations under its
4939 license and compliance of such operations with the provisions of this chapter.

4940 G. The Commissioner may use or rely on any application, supporting documentation, or information
4941 submitted pursuant to § 29.5-402, in reviewing and verifying an application submitted pursuant to this
4942 chapter.

4943 § 29.5-311. Issuance of operator's license to preferred casino gaming operator; standards for licensure;
4944 temporary casino gaming allowed under certain conditions.

4945 A. If a preferred casino gaming operator, as certified by the applicable eligible host city, submits an
4946 application that meets the standards for licensure set forth in this chapter, the Commissioner shall issue an
4947 operator's license to such preferred casino gaming operator. The Commissioner shall not consider an
4948 application from any applicant that has not been certified as a preferred casino gaming operator by an
4949 eligible host city.

4950 B. The Commissioner may issue an operator's license to an applicant only if he finds that:

4951 1. The applicant submits a plan for addressing responsible gaming issues, including the goals of the plan,
4952 procedures, and deadlines for implementation of the plan;

4953 2. The applicant has established a policy requiring all license and permit holders who interact directly
4954 with the public in the casino gaming establishment to complete a training course acceptable to the Board in
4955 how to recognize and report suspected human trafficking;

4956 3. The casino gaming establishment the applicant proposes to use on a permanent basis is or will be
4957 appropriate for gaming operations consistent with the purposes of this chapter;

4958 4. The city where the casino gaming establishment will be located certifies that the proposed project
4959 complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

4960 5. Any required local infrastructure or site improvements, including necessary sewerage, water, drainage

4961 facilities, or traffic flow, are to be paid exclusively by the applicant without state or local financial
4962 assistance;

4963 6. If the applicant is an entity, its securities are fully paid and, in the case of stock, nonassessable and
4964 have been subscribed and will be paid for only in cash or property to the exclusion of past services;

4965 7. All principals meet the criteria of this subsection and have submitted to the jurisdiction of the courts of
4966 the Commonwealth, and all nonresident principals have designated the Commissioner as their agent for
4967 receipt of process;

4968 8. If the applicant is an entity, it has the right to purchase at fair market value the securities of, and
4969 require the resignation of, any person who is or becomes disqualified under subsection C;

4970 9. The applicant meets any other criteria established by this chapter and the Board's regulations for the
4971 granting of an operator's license;

4972 10. The applicant is qualified to do business in the Commonwealth or is subject to the jurisdiction of the
4973 courts of the Commonwealth; and

4974 11. The applicant has not previously been denied a license pursuant to subsection C.

4975 C. The Commissioner shall deny a license to an applicant if he finds that for any reason the issuance of a
4976 license to the applicant would reflect adversely on the honesty and integrity of the casino gaming industry in
4977 the Commonwealth or that the applicant, or any officer, principal, manager, or director of the applicant:

4978 1. Is or has been guilty of any illegal act, conduct, or practice in connection with gaming operations in
4979 this or any other state or has been convicted of a felony;

4980 2. Has had a license or permit to hold or conduct a gaming operation denied for cause, suspended, or
4981 revoked, in this or any other state or country, unless the license or permit was subsequently granted or
4982 reinstated;

4983 3. Has at any time during the previous five years knowingly failed to comply with the provisions of this
4984 chapter or any Board regulation;

4985 4. Has knowingly made a false statement of material fact to the Commission or has deliberately failed to
4986 disclose any information requested by the Commission;

4987 5. Has defaulted in the payment of any obligation or debt due to the Commonwealth and has not cured
4988 such default; or

4989 6. Has operated or caused to be operated a casino gaming establishment for which a license is required

4990 under this chapter without obtaining such license.

4991 D. The Commissioner shall make a determination regarding whether to issue the operator's license within
4992 12 months of the receipt of a completed application.

4993 E. The Commissioner shall be limited to the issuance of one operator's license for each eligible host city.

4994 F. If, at the time of application, the applicant has not satisfied the capital investment requirement of at
4995 least \$300 million pursuant to subsection B of § 29.5-309 but otherwise meets the standards for licensure set
4996 forth in this chapter, the Commissioner shall issue the operator's license, which, prior to satisfying the
4997 capital investment requirement, may not be used to conduct gaming other than temporary casino gaming
4998 pursuant to subsection G.

4999 G. The Commissioner may authorize casino gaming to occur on a temporary basis for a period of one
5000 year under the following conditions:

5001 1. The request to authorize casino gaming is made by a preferred casino gaming operator that has been
5002 issued a license consistent with this section.

5003 2. The preferred casino gaming operator has submitted as a part of its application for licensure a
5004 construction schedule for a casino gaming establishment that has been approved by the eligible host city and
5005 the Commissioner.

5006 3. The temporary casino gaming is to be conducted at the same site referenced in the referendum held
5007 pursuant to § 29.5-325.

5008 4. The preferred casino gaming operator has secured suppliers and employees holding the appropriate
5009 permits required by this chapter and sufficient for the routine operation of the site where the temporary
5010 casino gaming is authorized.

5011 5. A performance bond is posted in an amount acceptable to the Board.

5012 H. No portion of any facility developed with the assistance of any grants or loans provided by a
5013 redevelopment and housing authority created pursuant to § 36-4 shall be used as a casino gaming
5014 establishment.

5015 The Commissioner may renew the authorization to conduct temporary casino gaming for an additional
5016 year if he determines that the preferred casino gaming operator has made a good faith effort to comply with
5017 the approved construction schedule.

5018 I. An operator issued a license under this chapter shall not be precluded from operating a sports betting

5019 facility for individuals to participate in sports betting activities in a casino gaming establishment, which may
5020 include in-person sports betting where the bettor places a bet directly with an employee of the casino or the
5021 sports betting permit holder, or through a kiosk or device.

5022 **§ 29.5-312. Duration and form of operator's license; bond.**

5023 A. A casino gaming operator license under this chapter shall be valid for a period of 10 years from its
5024 date of issuance but shall be reviewed no less frequently than annually to determine compliance with this
5025 chapter and Board regulations. Such annual review shall include a certification by the eligible host city of
5026 the status of the operator's compliance with local ordinances and regulations. If the certification states that
5027 the operator is not in compliance, the Commissioner shall require the operator to submit a plan of
5028 compliance, corrective action, or request for variance.

5029 B. The Board shall establish by regulation the criteria and procedures for license renewal and for
5030 amending licenses to conform to changes in a licensee's gaming operations. Such regulations shall require
5031 the operator to submit to the Commissioner any updates or revisions to the capital investment plan provided
5032 with the initial license application pursuant to subdivision B 4 of § 29.5-310. Renewal shall not be
5033 unreasonably refused.

5034 C. The Board shall require a bond with surety acceptable to it, and in an amount determined by it, to be
5035 sufficient to cover any indebtedness incurred by the licensee to the Commonwealth.

5036 **§ 29.5-313. Records to be kept; reports; reinvestment projection.**

5037 A. A licensed operator shall keep his books and records so as to clearly indicate the total amount of gross
5038 receipts and adjusted gross receipts.

5039 B. The licensed operator shall furnish to the Commission reports and information as the Commission may
5040 require with respect to its activities on forms designated and supplied for such purpose by the Board.

5041 C. Every five years the licensed operator shall submit to the Commission for review and approval a
5042 reinvestment projection related to the casino gaming establishment to cover the succeeding five-year period
5043 of operations.

5044 **§ 29.5-314. Electronic accounting and reporting requirements; annual audit of licensed gaming**
5045 **operations.**

5046 A. Each casino game that operates electronically shall be connected to a central monitoring and audit
5047 system established and operated by the Commission. Such system shall provide the ability to audit and

5048 account for terminal revenues and distributions in real time. The central monitoring and audit system shall
5049 collect the following information from each electronically operated casino game, as applicable: (i) cash in,
5050 (ii) cash out, (iii) points played, (iv) points won, (v) gross terminal income, (vi) net terminal income, (vii) the
5051 number of plays of the game, (viii) the amounts paid to play the game, (ix) door openings, (x) power failures,
5052 (xi) remote activations and disabling, and (xii) any other information required by Board regulations.

5053 B. Within 90 days after the end of each fiscal year, the licensed operator shall transmit to the Commission
5054 a third-party, independent audit of the financial transactions and condition of the licensee's total operations.
5055 All audits required by this section shall conform to Board regulations.

5056 § 29.5-315. Supplier's permits; penalty.

5057 A. The Commissioner may issue a supplier's permit to any person upon application and payment of a
5058 nonrefundable application fee set by the Board, a determination by the Commissioner that the applicant is
5059 eligible for a supplier's permit, and payment of a \$5,000 initial permit fee. A supplier's permit shall be
5060 renewed at a fee to be determined by the Board, not to exceed \$5,000 per year of licensure. Such fees shall be
5061 deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant to §
5062 29.5-119. The Board shall prescribe by regulation the criteria for the issuance, duration, and renewal of
5063 supplier's permits.

5064 B. The holder of a supplier's permit may sell or lease, or contract to sell or lease, casino gaming
5065 equipment and supplies, or provide management services, to any licensee involved in the ownership or
5066 management of gaming operations to the extent provided in the permit.

5067 C. Gaming equipment, devices, and supplies shall not be distributed unless such equipment, devices, and
5068 supplies conform to standards adopted by the Board.

5069 D. A person is ineligible to receive a supplier's permit if:

5070 1. The person has been convicted of a felony under the laws of the Commonwealth or any other state or of
5071 the United States;

5072 2. The person has submitted an application for a license under this chapter that contains false
5073 information;

5074 3. The person is a Board member, employee of the Commission, or a member of the immediate household
5075 of a Board member or Commission employee;

5076 4. The person is an entity in which a person described in subdivision 1, 2, or 3 is an officer, director,

5077 principal, or managerial employee;

5078 5. The firm or corporation employs a person who participates in the management or operation of casino
5079 gaming authorized under this chapter; or

5080 6. A prior permit issued to such person to own or operate casino gaming establishments or supply goods
5081 or services to a gaming operation under this chapter or any laws of any other jurisdiction has been revoked.

5082 E. Any person that supplies any casino gaming equipment, devices, or supplies to a licensed gaming
5083 operation or manages any operation, including a computerized network, of a casino gaming establishment
5084 shall first obtain a supplier's permit. A supplier shall furnish to the Commission a list of all management
5085 services, equipment, devices, and supplies offered for sale or lease in connection with the games authorized
5086 under this chapter. A supplier shall keep books and records for the furnishing of casino gaming equipment,
5087 devices, and supplies to gaming operations separate and distinct from any other business that the supplier
5088 might operate. A supplier shall file a quarterly return with the Commission listing all sales and leases for
5089 which a permit is required. A supplier shall permanently affix its name to all its equipment, devices, and
5090 supplies for gaming operations. Any supplier's equipment, devices, or supplies that are used by any person in
5091 an unauthorized gaming operation shall be forfeited to the Commonwealth.

5092 F. A licensed operator may operate its own equipment, devices, and supplies and may utilize casino
5093 gaming equipment, devices, and supplies at such locations as may be approved by the Commission for the
5094 purpose of training enrollees in a school operated by the licensee to train individuals who desire to become
5095 qualified for employment or promotion in gaming operations. The Board may promulgate regulations for the
5096 conduct of any such schools.

5097 G. Each holder of an operator's license under this chapter shall file an annual report with the
5098 Commission listing its inventories of casino gaming equipment, devices, and supplies related to its operations
5099 in the Commonwealth.

5100 H. Any person who knowingly makes a false statement on an application for a supplier's permit is guilty
5101 of a Class 4 felony.

5102 **§ 29.5-316. Denial of permit final.**

5103 The denial of a supplier's permit by the Commissioner shall be final unless appealed under § 29.5-305. A
5104 permit may not be applied for again for a period of five years from the date of denial without the permission
5105 of the Commissioner.

5106 § 29.5-317. Suspension or revocation of license or permit.

5107 A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of
5108 a license or permit in a sum not to exceed \$100,000, after notice and a hearing. Such license or permit may,
5109 however, be temporarily suspended by the Commissioner without prior notice, pending any prosecution,
5110 hearing, or investigation, whether by a third party or by the Commissioner. A license may be suspended,
5111 revoked, or refused renewal by the Commissioner for one or more of the following reasons:

5112 1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of
5113 the Board;

5114 2. Failure to disclose facts during the application process that indicate that such license or permit should
5115 not have been issued;

5116 3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States
5117 subsequent to issuance of a license or permit;

5118 4. Failure to file any return or report, to keep any records, or to pay any fees or other charges required by
5119 this chapter;

5120 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity
5121 of gaming operations;

5122 6. A material change, since issuance of the license or permit, with respect to any matters required to be
5123 considered by the Commissioner under this chapter; or

5124 7. Other factors established by Board regulation.

5125 B. Such action by the Commissioner shall be final unless appealed in accordance with § 29.5-305.
5126 Suspension or revocation of a license or permit for any violation shall not preclude criminal liability for such
5127 violation.

5128 § 29.5-318. Acquisition of interest in licensee or permit holder.

5129 The Commission shall require any person desiring to become a principal of, or other investor in, any
5130 licensee or holder of a supplier's permit to apply to the Commissioner for approval and may demand such
5131 information of the applicant as it finds necessary. The Commissioner shall consider such application within
5132 60 days of its receipt, and if in his judgment the acquisition by the applicant would be detrimental to the
5133 public interest, to the honesty and integrity of gaming operations, or to its reputation, the application shall be
5134 denied. All reasonable costs for review by the Commissioner shall be borne by the applicant.

5135 Article 4.

5136 Service Permits.

5137 **§ 29.5-319. Service permit required.**

5138 No person shall participate in any gaming operation as a casino gaming employee or concessionaire or
5139 employee of either or in any other occupation that the Board has determined necessary to regulate in order
5140 to ensure the integrity of casino gaming in the Commonwealth unless such person possesses a service permit
5141 to perform such occupation issued by the Commissioner. The Board shall prescribe by regulation the criteria
5142 for the issuance, duration, and renewal of service permits.

5143 **§ 29.5-320. Application for service permit.**

5144 A. Any person desiring to obtain a service permit as required by this chapter shall apply on a form
5145 prescribed by the Board. The application shall be accompanied by a fee prescribed by the Board. Such fees
5146 shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant
5147 to § 29.5-119.

5148 B. Any application filed hereunder shall be verified by the oath or affirmation of the applicant.

5149 **§ 29.5-321. Consideration of service permit application.**

5150 A. The Commissioner shall promptly consider any application for a service permit and issue or deny such
5151 service permit on the basis of the information in the application and all other information provided, including
5152 any investigation he considers appropriate. If an application for a service permit is approved, the
5153 Commissioner shall issue a service permit containing such information as the Board considers appropriate.

5154 B. The Commissioner shall deny the application and refuse to issue the service permit, which denial shall
5155 be final unless an appeal is taken under § 29.5-305, if it finds that the issuance of such service permit to such
5156 applicant would not be in the best interests of the Commonwealth or would reflect negatively on the honesty
5157 and integrity of casino gaming in the Commonwealth or that the applicant:

5158 1. Has knowingly made a false statement of a material fact in the application or has deliberately failed to
5159 disclose any information requested by the Commission;

5160 2. Is or has been guilty of any corrupt or fraudulent practice or conduct in connection with gaming
5161 operations in the Commonwealth or any other state;

5162 3. Has knowingly failed to comply with the provisions of this chapter or the regulations promulgated
5163 pursuant to this chapter;

5164 4. Has had a service permit to engage in activity related to casino gaming denied for cause, suspended, or
5165 revoked in the Commonwealth or any other state, and such denial, suspension, or revocation is still in effect;

5166 5. Is unqualified to perform the duties required for the service permit sought; or

5167 6. Has been convicted of a misdemeanor or felony involving unlawful conduct of wagering, fraudulent use
5168 of a gaming credential, unlawful transmission of information, touting, bribery, embezzlement, distribution or
5169 possession of drugs, excluding misdemeanor possession of marijuana, or any crime considered by the
5170 Commission to be detrimental to the honesty and integrity of casino gaming in the Commonwealth.

5171 C. The Commissioner may refuse to issue a service permit if for any reason he determines the granting of
5172 such service permit is not consistent with the provisions of this chapter or its responsibilities or any
5173 regulations promulgated by any other agency of the Commonwealth.

5174 **§ 29.5-322. Suspension or revocation of service permit; civil penalty.**

5175 A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of
5176 a service permit in a sum not to exceed \$10,000, after notice and a hearing. Such service permit may,
5177 however, be temporarily suspended by the Commissioner without prior notice, pending any prosecution,
5178 hearing, or investigation, whether by a third party or by the Commissioner. A service permit may be
5179 suspended, revoked, or refused renewal by the Commissioner for one or more of the following reasons:

5180 1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of
5181 the Board;

5182 2. Failure to disclose facts during the application process that indicate that such service permit should
5183 not have been issued;

5184 3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States
5185 subsequent to issuance of a service permit;

5186 4. Failure to file any return or report, keep any record, or pay any fees or other charges required by this
5187 chapter;

5188 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity
5189 of gaming operations;

5190 6. A material change, since issuance of the service permit, with respect to any matters required to be
5191 considered by the Commissioner under this chapter; or

5192 7. Other factors established by Board regulation.

5193 B. Actions taken by the Commissioner pursuant to this section shall be final unless appealed in
5194 accordance with § 29.5-305. Suspension or revocation of a service permit for any violation shall not preclude
5195 criminal liability for such violation.

5196 Article 5.

5197 Conduct of Casino Gaming; Local Referendum.

5198 § 29.5-323. Conduct of casino gaming.

5199 A. Casino gaming may be conducted by licensed operators, subject to the following:

5200 1. Minimum and maximum wagers on games shall be set by Board regulations.

5201 2. Agents of the Commission, the Department of State Police, and the local law-enforcement and fire
5202 departments may enter any casino gaming establishment and inspect such facility at any time for the purpose
5203 of determining compliance with this chapter and other applicable fire prevention and safety laws.

5204 3. Employees of the Commission shall have the right to be present in any facilities under the control of the
5205 licensee.

5206 4. Gaming equipment, devices, and supplies customarily used in conducting casino gaming shall be
5207 purchased or leased only from suppliers holding permits for such purpose under this chapter.

5208 5. Persons licensed under this chapter shall permit no form of wagering on games except as permitted by
5209 this chapter.

5210 6. Wagers may be received only from a person present at the licensed casino gaming establishment. No
5211 person present at such facility shall place or attempt to place a wager on behalf of another person who is not
5212 present at the facility.

5213 7. No person under age 21 shall be permitted to make a wager under this chapter or be present where
5214 casino gaming is being conducted. A licensee or permit holder may employ persons between the ages of 18
5215 and 21 for positions in nongaming areas and such employees may traverse the gaming floor, while on duty.

5216 8. No person shall place or accept a wager on youth sports.

5217 9. No licensee or permit holder shall accept postdated checks in payment for participation in any gaming
5218 operation. No licensee or permit holder, or any person on the premises of a casino gaming establishment,
5219 shall extend lines of credit or accept any credit card or other electronic fund transfer in payment for
5220 participation in any gaming operation. A licensee or permit holder may accept prepaid access instruments. In
5221 order to transfer funds for gaming purposes, a prepaid access instrument must be redeemed for tokens, chips,

5222 credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an approved
5223 cashless wagering system or interactive gaming account. A licensee or permit holder may issue interest-free
5224 counter checks to a player provided (i) the player submits an application and (ii) the licensee or permit
5225 holder verifies funds sufficient to cover the face value of the counter check. Such counter checks shall be
5226 subject to the tax reporting requirements under state and federal law. Nothing shall preclude a player from
5227 making a wire transfer to licensees or permit holders.

5228 B. Casino gaming wagers shall be conducted only with tokens, chips, electronic credits, electronic cash,
5229 or electronic cards purchased from a licensed casino gaming operator. The conversion of cash to tokens,
5230 chips, credits, electronic credits, electronic cash, or electronic cards at a slot machine or any other casino
5231 game is permissible and does not constitute conducting a wager. Such tokens, chips, credits, electronic
5232 credits, electronic cash, or electronic cards may be used only for the purpose of (i) making wagers on games,
5233 (ii) redeeming for cash or check, or (iii) making a donation to a charitable entity granted tax-exempt status
5234 under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens, chips, credits, electronic
5235 credits, electronic cash, or electronic cards are redeemed by the same charitable entity accepting the
5236 donation. The provisions of this subsection shall not apply to sports betting in a sports betting facility, which
5237 may be conducted using cash.

5238 **§ 29.5-324. Posting of illegal gaming tip line.**

5239 Every casino gaming operator shall post in a conspicuous place in its casino gaming establishment a sign
5240 that bears the toll-free telephone number and website for the illegal gaming tip line established and
5241 administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police
5242 pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal
5243 gaming activities.

5244 **§ 29.5-325. Local referendum required.**

5245 A. The Commissioner shall not grant any initial license to operate a gaming operation in an eligible host
5246 city until a referendum on the question of whether casino gaming shall be permitted in such city is approved
5247 by the voters of such city.

5248 B. The governing body of any city containing an eligible host city shall petition the court, by resolution,
5249 asking that a referendum be held on the question of whether casino gaming shall be permitted within the city.
5250 The court, by order entered of record in accordance with Article 5 (§ 24.2-681 et seq.) of Chapter 6 of Title

5251 24.2. shall require the regular election officials of the city to open the polls and take the sense of the voters
5252 on the question as herein provided.

5253 C. The clerk of such court of record of such city shall publish notice of such election in a newspaper of
5254 general circulation in such city once a week for three consecutive weeks prior to such election.

5255 D. The regular election officers of such city shall open the polls at the various voting places in such city
5256 on the date specified in such order and conduct such election in the manner provided by law. The election
5257 shall be by ballot, which shall be prepared by the electoral board of the city and on which shall be printed
5258 the following question:

5259 "Shall casino gaming be permitted at a casino gaming establishment in (name of city and location) as
5260 may be approved by the Virginia Gaming Commission?

5261 Yes

5262 No"

5263 In the blank shall be inserted the name of the city in which such election is held and the proposed location
5264 of the casino gaming establishment. Any voter desiring to vote "Yes" shall mark in the square provided for
5265 such purpose immediately preceding the word "Yes," leaving the square immediately preceding the word
5266 "No" unmarked. Any voter desiring to vote "No" shall mark in the square provided for such purpose
5267 immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.

5268 E. The ballots shall be counted, the returns made and canvassed as in other elections, and the results
5269 certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an
5270 order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to
5271 the Commission and to the governing body of such city.

5272 F. A subsequent local referendum shall be required if a license has not been granted by the Commissioner
5273 within five years of the court order proclaiming the results of the election.

5274 G. The governing body of any eligible host city that holds a local referendum pursuant to this section that
5275 subsequently fails shall be prohibited from holding another local referendum on the same question for a
5276 period of three years from the date of the last referendum.

5277 Article 6.

5278 Taxation.

5279 § 29.5-326. Tax rate on adjusted gross receipts.

5280 A. A tax on the adjusted gross receipts of each licensed operator received from games authorized under
5281 this chapter shall be imposed as follows:

5282 1. On the first \$200 million of adjusted gross receipts of an operator each calendar year, a rate of 18
5283 percent.

5284 2. On the adjusted gross receipts of an operator that exceed \$200 million but do not exceed \$400 million
5285 each calendar year, a rate of 23 percent.

5286 3. On the adjusted gross receipts of an operator that exceed \$400 million each calendar year, a rate of 30
5287 percent.

5288 B. All tax revenues collected pursuant to the provisions of this section shall accrue to the Gaming
5289 Proceeds Fund and be allocated as provided in § 29.5-327.

5290 C. The taxes imposed by this section shall be paid by the licensed operator to the Commission no later
5291 than the close of the fifth day of each month for the preceding month when the adjusted gross receipts were
5292 received and shall be accompanied by forms and returns prescribed by the Board. Revenues collected
5293 pursuant to this section shall be credited to the Gaming Proceeds Fund to be appropriated as set forth in §
5294 29.5-327. The Commissioner may suspend or revoke the license of an operator for willful failure to submit
5295 the wagering tax payment or the return within the specified time.

5296 D. The tax imposed under this section shall not apply to the receipts of a licensed operator from sports
5297 betting, whether such receipts were generated from a sports betting facility or sports betting platform;
5298 instead, such receipts shall be taxable under § 29.5-407.

5299 **§ 29.5-327. Gaming Proceeds Fund; distribution of revenue.**

5300 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming
5301 Proceeds Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the
5302 Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter shall be paid into the
5303 state treasury and credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the
5304 end of each fiscal year shall not revert to the general fund but shall remain in the Fund.

5305 B. Revenues from the Fund shall be apportioned by the Comptroller as follows:

5306 1. The following amounts shall be distributed to the city in which they were collected by warrants of the
5307 Comptroller drawn on the Treasurer of Virginia on a quarterly basis:

5308 a. An amount equal to a six percent tax on the first \$200 million of adjusted gross receipts;

5309 b. An amount equal to a seven percent tax on the adjusted gross receipts that exceed \$200 million but do
5310 not exceed \$400 million; and

5311 c. An amount equal to an eight percent tax on the adjusted gross receipts that exceed \$400 million.

5312 2. For any casino gaming establishment operated by a Virginia Indian tribe recognized in House Joint
5313 Resolution No. 54 (1983) and acknowledged by the Assistant Secretary-Indian Affairs of the U.S. Department
5314 of the Interior as an Indian tribe within the meaning of federal law that has the authority to conduct gaming
5315 activities as a matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory
5316 Act (25 U.S.C. § 2701 et seq.), an amount equal to a tax of one percent on the adjusted gross receipts of such
5317 establishment shall be deposited in the Virginia Indigenous People's Trust Fund established pursuant to §
5318 2.2-401.01.

5319 3. Eight-tenths of one percent of the Fund shall be deposited in the Problem Gambling Treatment and
5320 Support Fund established pursuant to § 37.2-314.2.

5321 4. Two-tenths of one percent of the Fund shall be deposited in the Family and Children's Trust Fund
5322 established pursuant to § 63.2-2100.

5323 5. Any remaining revenues not apportioned pursuant to subdivisions 1 through 4 shall be deposited in the
5324 School Construction Fund established pursuant to § 22.1-140.1.

5325 Article 7.

5326 Prohibited Acts; Penalties.

5327 § 29.5-328. Illegal operation; penalty.

5328 A. No person shall:

5329 1. Operate casino gaming where wagering is used or to be used without a license issued by the
5330 Commissioner.

5331 2. Operate casino gaming where wagering is permitted other than in the manner specified by this chapter.

5332 3. Offer, promise, or give anything of value or benefit to a person who is connected with a gaming
5333 operation, including an officer or employee of a licensed operator or permit holder, pursuant to an
5334 agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the
5335 actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the
5336 outcome of a game, or to influence official action of a member of the Board, the Commissioner, a
5337 Commission employee, or a local governing body.

5338 4. Solicit or knowingly accept a promise of anything of value or benefit while the person is connected with
5339 a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an
5340 understanding or arrangement or with the intent that the promise or thing of value or benefit will influence
5341 the actions of the person to affect or attempt to affect the outcome of a game, or to influence official action of
5342 a member of the Board, the Commissioner, a Commission employee, or a local governing body.

5343 5. Use or possess with the intent to use a device to assist in:

5344 a. Projecting the outcome of a game;

5345 b. Keeping track of the cards played;

5346 c. Analyzing the probability of the occurrence of an event relating to a game; or

5347 d. Analyzing the strategy for playing or betting to be used in a game except as permitted by Board
5348 regulation.

5349 6. Cheat at gaming.

5350 7. Manufacture, sell, or distribute any card, chip, dice, game, or device that is intended to be used to
5351 violate any provision of this chapter.

5352 8. Alter or misrepresent the outcome of a game on which wagers have been made after the outcome is
5353 made sure but before it is revealed to the players.

5354 9. Place a bet after acquiring knowledge, not available to all players, of the outcome of the game that is
5355 the subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet
5356 contingent on that outcome.

5357 10. Claim, collect, or take, or attempt to claim, collect, or take, money or anything of value in or from a
5358 game, with intent to defraud, without having made a wager contingent on winning the game or claim, collect,
5359 or take an amount of money or thing of value of greater value than the amount won.

5360 11. Use counterfeit chips or tokens in a game.

5361 12. Possess any key or device designed for the purpose of opening, entering, or affecting the operation of
5362 a game, drop box, or electronic or mechanical device connected with the game or for removing coins, tokens,
5363 chips, or other contents of a game. This subdivision does not apply to a casino gaming licensee or employee
5364 of a casino gaming licensee acting in furtherance of the employee's employment.

5365 B. Any person convicted of a violation of this section is guilty of a Class 6 felony. In addition, any person
5366 convicted of a violation of subsection A shall be barred for life from gaming operations under the jurisdiction

5367 of the Commission.

5368 **§ 29.5-329. Fraudulent use of credential; penalty.**

5369 Any person other than the lawful holder thereof who has in his possession any credential, license, or
5370 permit issued by the Commissioner, or any person who has in his possession any forged or simulated
5371 credential, license, or permit of the Commission, and who uses such credential, license, or permit for the
5372 purposes of misrepresentation, fraud, or touting, is guilty of a Class 4 felony.

5373 Any credential, license, or permit issued by the Commissioner, if used by the holder thereof for a purpose
5374 other than identification and in the performance of legitimate duties in a casino gaming establishment, shall
5375 be automatically revoked.

5376 **§ 29.5-330. Prohibition on persons younger than 21 years of age placing wagers and sports betting on**
5377 **youth sports; penalty.**

5378 A. No person shall wager on or conduct any wagering on the outcome of a game pursuant to the
5379 provisions of this chapter unless such person is 21 years of age or older. No person shall accept any wager
5380 from a person younger than 21 years of age.

5381 B. No person shall wager on or conduct any wagering on the outcome of a youth sports game. No person
5382 shall accept any wager from a person on a youth sports game.

5383 C. Violation of this section is a Class 1 misdemeanor.

5384 **§ 29.5-331. Conspiracies and attempts to commit violations; penalty.**

5385 A. Any person who conspires, confederates, or combines with another, within or outside the
5386 Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 6 felony.

5387 B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense
5388 and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

5389 **§ 29.5-332. Civil penalties.**

5390 Any person who conducts a gaming operation without first obtaining a license to do so, or who continues
5391 to conduct such games after revocation of his license, in addition to other penalties provided, shall be subject
5392 to a civil penalty assessed by the Commission equal to the amount of gross receipts derived from wagering on
5393 games, whether unauthorized or authorized, conducted on the day, as well as confiscation and forfeiture of
5394 all casino gaming equipment, devices, and supplies used in the conduct of unauthorized games. Any civil
5395 penalties collected pursuant to this section shall be payable to the State Treasurer for deposit to the general

5396 fund.

5397 § 29.5-333. Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.

5398 A. No licensee, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an advertisement
5399 in association with its product or service. Any licensee, or affiliate thereof, that violates this section shall be
5400 subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the provisions of this
5401 section.

5402 B. All civil penalties collected pursuant to this section shall accrue to the general fund.

5403 Article 8.

5404 On-Premises Mobile Casino Gaming.

5405 § 29.5-334. Federal law applicable.

5406 On-premises mobile casino gaming shall be subject to the provisions of, and preempted and superseded
5407 by, any applicable federal law.

5408 § 29.5-335. Authorized on-premises mobile casino gaming.

5409 On-premises mobile casino gaming is prohibited except when offered by a casino gaming operator to
5410 individuals who participate in on-premises mobile casino gaming on the premises of the casino gaming
5411 establishment. Any casino gaming operator that offers on-premises mobile casino gaming shall comply with
5412 any regulations promulgated by the Board related to on-premises mobile casino gaming.

5413 § 29.5-336. Location of primary on-premises mobile casino gaming operation.

5414 A. A casino gaming operator's primary on-premises mobile casino gaming operation, including facilities,
5415 equipment, and personnel who are directly engaged in the conduct of on-premises mobile casino gaming,
5416 shall be located within a restricted area on the premises of the casino gaming establishment. Backup
5417 equipment used on a temporary basis pursuant to regulations promulgated by the Board to conduct
5418 on-premises mobile casino gaming may, with the approval of the Commissioner, be located outside the
5419 territorial limits of a casino gaming establishment.

5420 B. Facilities used to conduct and support on-premises mobile casino gaming shall:

5421 1. Be arranged in a manner promoting optimum security;

5422 2. Include a closed circuit visual monitoring system according to specifications approved by the Board,
5423 with access on the premises to the system or its signal provided to the Commission;

5424 3. Not be designed in any way that might interfere with the ability of the Commission to supervise

5425 on-premises mobile casino gaming operations; and

5426 4. Comply in all respects with regulations of the Board pertaining thereto.

5427 § 29.5-337. On-premises mobile casino gaming accounts.

5428 A. A casino gaming operator may offer on-premises mobile casino gaming only to an individual who has
5429 established an on-premises mobile casino gaming account and uses such account to place wagers as follows:

5430 1. Any wager shall be placed directly with the casino gaming operator by the account holder;

5431 2. The casino gaming operator shall verify the account holder's physical presence on the premises of the
5432 casino gaming establishment; and

5433 3. The account holder shall provide the casino licensee with the correct authentication information for
5434 access to the wagering account.

5435 B. A casino gaming operator shall not accept a wager in an amount in excess of funds on deposit in the
5436 account of the individual placing the wager.

5437 § 29.5-338. Disposition of inactive, dormant accounts.

5438 All amounts remaining in on-premises mobile casino gaming accounts inactive or dormant for such
5439 period and under such conditions as established by regulation by the Board shall be closed. Any funds
5440 remaining in the account at such time shall be paid 50 percent to the casino gaming operator and 50 percent
5441 to the general fund. Before closing an account pursuant to this section, the casino gaming operator shall
5442 attempt to contact the account holder by mail, phone, and electronic mail.

5443 § 29.5-339. Assistance to people with gambling problem.

5444 A. In order to assist those persons who may have a gambling problem, a casino gaming operator shall:

5445 1. Cause the words "If you or someone you know has a gambling problem and wants help, call 1-800
5446 -GAMBLER," or some comparable language approved by the Department, which language shall include the
5447 words "gambling problem" and "call 1-800 GAMBLER," to be displayed prominently at log-on and log-off
5448 times to any person visiting or logged onto on-premises mobile casino gaming; and

5449 2. Provide a mechanism by which an account holder may establish the following controls on wagering
5450 activity through the wagering account:

5451 a. A limit on the amount of money deposited within a specified period of time and the length of time the
5452 account holder will be unable to participate in gaming if the holder reaches the established deposit limit; and

5453 b. A temporary suspension of gaming through the account for any number of hours or days.

5454 B. The casino gaming operator shall not send gaming-related electronic mail to an account holder while
5455 gaming through his account is suspended, if the suspension is for at least 72 hours. The casino gaming
5456 operator shall provide a mechanism by which an account holder may change these controls, except that,
5457 while gaming through the wagering account is suspended, the account holder may not change gaming
5458 controls until the suspension expires, but the account holder shall continue to have access to the account and
5459 shall be permitted to withdraw funds from the account upon proper application therefor.

5460 **§ 29.5-340. Offering of on-premises mobile casino gaming without approval; penalties.**

5461 Any person who offers on-premises mobile casino gaming in violation of this chapter or regulations
5462 promulgated pursuant to this chapter is guilty of a Class 6 felony and subject to a fine of not more than
5463 \$25,000 and, in the case of a person other than a natural person, to a fine of not more than \$100,000.

5464 **§ 29.5-341. Tampering with equipment; penalties.**

5465 A. Any person who knowingly tampers with software, computers, or other equipment used to conduct
5466 on-premises mobile casino gaming to alter the odds or the payout of a game or disables the game from
5467 operating according to the rules of the game as promulgated by the Board is guilty of a Class 5 felony and
5468 subject to a fine of not more than \$50,000 and, in the case of a person other than a natural person, to a fine
5469 of not more than \$200,000.

5470 B. In addition to the penalties provided in subsection A, an employee of the casino gaming operator who
5471 violates this section shall have his permit revoked and shall be subject to such further penalty as the
5472 Commission deems appropriate.

5473 C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this
5474 section shall have its license to conduct casino gaming suspended for a period determined by the
5475 Commissioner and shall be subject to such further penalty as the Commission deems appropriate.

5476 **§ 29.5-342. Tampering affecting odds, payout; penalties.**

5477 A. Any person who knowingly offers or allows to be offered any on-premises mobile casino game that has
5478 been tampered with in a way that affects the odds or the payout of a game or disables the game from
5479 operating according to the rules of the game as promulgated by the Board is guilty of a Class 5 felony and
5480 subject to a fine of not more than \$50,000 and, in the case of a person other than a natural person, to a fine
5481 of not more than \$200,000.

5482 B. In addition to the penalties provided in subsection A, an employee of the casino gaming operator who

5483 violates this section shall have his permit suspended for a period of not less than 30 days.

5484 C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this
5485 section shall have its license to conduct casino gaming suspended for a period of not less than 30 days.

5486 **§ 29.5-343. Facilities permitted to conduct on-premises mobile casino gaming; violations, penalties.**

5487 No person shall make its premises available for on-premises mobile casino gaming or advertise that its
5488 premises may be used for such purpose, other than a casino gaming operator that (i) has located all of its
5489 equipment used to conduct on-premises mobile casino gaming, including computers, servers, monitoring
5490 rooms, and hubs, on the premises of its casino gaming establishment and (ii) that offers on-site mobile casino
5491 gaming only to individuals who participate in such gaming on the premises of the casino gaming
5492 establishment. Any person that is determined by the Commission to have violated the provisions of this
5493 section shall be subject to a penalty of \$1,000 per player per day for making its premises available for
5494 on-premises mobile casino gaming and of \$10,000 per violation for advertising that its premises may be used
5495 for such purpose.

5496 **§ 29.5-344. Taxation.**

5497 Any gross receipts from on-premises mobile casino gaming shall be included in a casino gaming
5498 operator's adjusted gross receipts and subject to taxation pursuant to the provisions of §§ 29.5-326 and
5499 29.5-327.

5500 CHAPTER 4.

5501 SPORTS BETTING.

5502 Article 1.

5503 General Provisions.

5504 **§ 29.5-400. Definitions.**

5505 As used in this chapter, unless the context requires a different meaning:

5506 "Adjusted gross revenue" means gross revenue minus:

5507 1. All cash and the cash value of merchandise paid out as winnings to bettors, and the value of all bonuses
5508 or promotions provided to patrons as an incentive to place or as a result of their having placed Internet
5509 sports betting wagers;

5510 2. Uncollectible gaming receivables, which shall not exceed two percent, or a different percentage as
5511 determined by the Board pursuant to § 29.5-104, of gross revenue minus all cash paid out as winnings to

5512 bettors:

5513 3. If the permit holder is a significant infrastructure limited licensee, as defined in § 29.5-601, any funds
5514 paid into the horsemen's purse account pursuant to the provisions of subdivision 13 of § 29.5-604; and

5515 4. All excise taxes on sports betting paid pursuant to federal law.

5516 "Amateur sports" means any sports or athletic event that is not professional sports, college sports,
5517 Virginia college sports, or youth sports. "Amateur sports" includes domestic, international, and Olympic
5518 sports or athletic events. "Amateur sports" does not include charitable gaming, as defined in § 29.5-200;
5519 fantasy contests, as defined in § 29.5-500; or horse racing, as defined in § 29.5-601.

5520 "College sports" means an athletic event (i) in which at least one participant is a team from a public or
5521 private institution of higher education, regardless of where such institution is located, and (ii) that does not
5522 include a team from a Virginia public or private institution of higher education.

5523 "Covered persons" means athletes; umpires, referees, and officials; personnel associated with clubs,
5524 teams, leagues, and athletic associations; medical professionals and athletic trainers who provide services to
5525 athletes and players; and the immediate family members and associates of such persons.

5526 "Gross revenue" means the total of all cash, property, or any other form of remuneration, whether
5527 collected or not, received by a permittee from its sports betting operations.

5528 "Major league sports franchise" means a professional baseball, basketball, football, hockey, or soccer
5529 team that is at the highest-level league of play for its respective sport.

5530 "Motor sports facility" means an outdoor motor sports facility that hosts a National Association for Stock
5531 Car Auto Racing (NASCAR) national touring race.

5532 "Official league data" means statistics, results, outcomes, and other data relating to a professional sports
5533 event obtained by a permit holder under an agreement with a sports governing body or with an entity
5534 expressly authorized by a sports governing body for determining the outcome of tier 2 bets.

5535 "Permit holder" means a person to which the Commissioner issues a permit pursuant to §§ 29.5-402 and
5536 29.5-403.

5537 "Personal biometric data" means any information about an athlete that is derived from his DNA, heart
5538 rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels,
5539 hydration levels, vitamin levels, bone density, muscle density, or sleep patterns, or other information as may
5540 be prescribed by the Board by regulation.

5541 "Principal" means any individual who solely or together with his immediate family members (i) owns or
5542 controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a permit
5543 holder or (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other
5544 ownership interests of such entity. "Principal" includes any individual who is employed in a managerial
5545 capacity for a sports betting platform or sports betting facility on behalf of a permit holder.

5546 "Professional sports" means an athletic event involving at least two human competitors who receive
5547 compensation, in excess of their expenses, for participating in such event. "Professional sports" does not
5548 include charitable gaming, as defined in § 29.5-200; fantasy contests, as defined in § 29.5-500; or horse
5549 racing, as defined in § 29.5-601.

5550 "Prohibited conduct" means any statement, action, or other communication intended to influence,
5551 manipulate, or control a betting outcome of a sports event or of any individual occurrence or performance in
5552 a sports event in exchange for financial gain or to avoid financial or physical harm. "Prohibited conduct"
5553 includes statements, actions, and communications made to a covered person by a third party. "Prohibited
5554 conduct" does not include statements, actions, or communications made or sanctioned by a sports team or
5555 sports governing body.

5556 "Proposition bet" means a bet on an individual action, statistic, occurrence, or non-occurrence to be
5557 determined during an athletic event and includes any such action, statistic, occurrence, or non-occurrence
5558 that does not directly affect the final outcome of the athletic event to which it relates.

5559 "Sports betting" means placing wagers on professional sports, college sports, amateur sports, sporting
5560 events, or any other event approved by the Commissioner, and any portion thereof, and includes placing
5561 wagers related to the individual performance statistics of athletes in such sports and events. "Sports betting"
5562 includes any system or method of wagering approved by the Commissioner, including single-game bets,
5563 teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets,
5564 proposition bets, and straight bets. "Sports betting" does not include participating in charitable gaming
5565 authorized by Chapter 2 (§ 29.5-200 et seq.); participating in fantasy contests authorized by Chapter 5 (§
5566 29.5-500 et seq.); wagering on horse racing, historical horse racing, or simulcast horse racing authorized by
5567 Chapter 6 (§ 29.5-600 et seq.); or participating in any lottery game authorized under Subtitle II (§ 29.5-700
5568 et seq.). "Sports betting" does not include placing a wager on a college sports event in which a Virginia
5569 public or private institution of higher education is a participant.

5570 "Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment
5571 licensed pursuant to Chapter 3 (§ 29.5-300 et seq.) that is designated for sports betting.

5572 "Sports betting permit" means a permit to operate a sports betting platform or sports betting facility
5573 issued pursuant to the provisions of §§ 29.5-402, 29.5-403, and 29.5-404.

5574 "Sports betting platform" means a website, app, or other platform accessible via the Internet or mobile,
5575 wireless, or similar communications technology that sports bettors use to participate in sports betting.

5576 "Sports betting program" means the program established by the Board to allow sports betting as
5577 described in this chapter.

5578 "Sports bettor" means a person physically located in Virginia who participates in sports betting.

5579 "Sports event" or "sporting event" means professional sports, college sports, amateur sports, and any
5580 athletic event, motor race event, electronic sports event, competitive video game event, or any other event
5581 approved by the Commissioner.

5582 "Sports governing body" means an organization, headquartered in the United States, that prescribes rules
5583 and enforces codes of conduct with respect to a professional sports or college sports event and the
5584 participants therein. "Sports governing body" includes a designee of the sports governing body.

5585 "Stadium" means the physical facility that is the primary location at which a major league sports
5586 franchise hosts athletic events and any appurtenant facilities.

5587 "Tier 1 bet" means a bet that is placed using the Internet and that is not a tier 2 bet.

5588 "Tier 2 bet" means a bet that is placed using the Internet and that is placed after the event it concerns has
5589 started.

5590 "Virginia college sports" means an athletic event in which at least one participant is a team from a
5591 Virginia public or private institution of higher education.

5592 "Youth sports" means an athletic event (i) involving a majority of participants under age 18 or (ii) in
5593 which at least one participant is a team from a public or private elementary, middle, or secondary school,
5594 regardless of where such school is located. However, if an athletic event meets the definition of college sports
5595 or professional sports, such event shall not be considered youth sports regardless of the age of the
5596 participants. An international athletic event organized by the International Olympic Committee shall not be
5597 considered to be youth sports, regardless of the age of the participants.

5598 **§ 29.5-401. Additional powers and duties of the Commissioner; reporting.**

5599 In addition to the powers and duties set forth in § 29.5-102:

5600 A. The Commissioner may:

5601 1. Require bond or other surety satisfactory to the Commissioner from permit holders in such amount as
5602 provided in the rules and regulations of the Board adopted under this chapter;

5603 2. Suspend, revoke, or refuse to renew any permit issued pursuant to this chapter or the rules and
5604 regulations adopted under this chapter; and

5605 3. Enter into contracts for the operation of the sports betting program, and enter into contracts with other
5606 states related to sports betting, provided that a contract awarded or entered into by the Commissioner shall
5607 not be assigned by the holder thereof except by specific approval of the Commissioner; and

5608 B. The Commissioner shall:

5609 1. Certify monthly to the State Comptroller and the Board a full and complete statement of sports betting
5610 revenues and expenses for the previous month;

5611 2. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee
5612 on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the
5613 total sports betting revenues and expenses for the previous month and make an annual report, which shall
5614 include a full and complete statement of sports betting revenues and expenses, to the Governor and the
5615 General Assembly, including recommendations for changes in this chapter as the Commissioner and Board
5616 deem prudent;

5617 3. In accordance with sports betting program regulations, approve methods for sports bettors to fund
5618 sports betting accounts, including automated clearing house payments, credit cards, debit cards, wire
5619 transfers, and any other method that the Board determines is appropriate for sports betting; and

5620 4. Report immediately to the Governor and the General Assembly any matters that require immediate
5621 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules
5622 and regulations adopted under this chapter or to rectify undesirable conditions in connection with the
5623 administration or operation of the sports betting program.

5624 Article 2.

5625 Permits.

5626 § 29.5-402. Application for a sports betting permit; penalty.

5627 A. An applicant for a sports betting permit shall:

5628 1. Submit an application to the Commission, on forms prescribed by the Board, containing the
5629 information prescribed in subsection B; and

5630 2. Pay to the Commission a nonrefundable fee of \$50,000 for each principal at the time of filing to defray
5631 the costs associated with the background investigations conducted by the Commission. If the reasonable costs
5632 of the investigation exceed the application fee, the applicant shall pay the additional amount to the
5633 Commission. The Board may establish regulations calculating the reasonable costs to the Commission in
5634 performing its functions under this chapter and allocating such costs to the applicants for licensure at the
5635 time of filing. The fees for each principal and any additional investigation costs paid to the Commission shall
5636 be deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.

5637 B. An application for a sports betting permit shall include the following information:

5638 1. The applicant's background in sports betting;

5639 2. The applicant's experience in wagering activities in other jurisdictions, including the applicant's
5640 history and reputation of integrity and compliance;

5641 3. The applicant's proposed internal controls, including controls to ensure that no prohibited or
5642 voluntarily excluded person will be able to participate in sports betting;

5643 4. The applicant's history of working to prevent compulsive gambling, including training programs for its
5644 employees;

5645 5. If applicable, any supporting documentation necessary to establish eligibility for substantial and
5646 preferred consideration pursuant to the provisions of this section;

5647 6. The applicant's proposed procedures to detect and report suspicious or illegal betting activity; and

5648 7. Any other information the Board deems necessary.

5649 C. The Commission shall conduct a background investigation on the applicant. The background
5650 investigation shall include a credit history check, a tax record check, and a criminal history records check.

5651 D. 1. The Commissioner shall not issue any permit pursuant to this chapter until the Board has
5652 established a consumer protection program and published a consumer protection bill of rights pursuant to §
5653 29.5-104.

5654 2. The Commissioner shall issue no fewer than four and no more than 12 permits pursuant to this section;
5655 however, if an insufficient number of applicants apply for the Commissioner to satisfy the minimum, this
5656 provision shall not be interpreted to direct the Commissioner to issue a permit to an unqualified applicant. A

5657 permit shall not count toward the minimum or maximum if it (i) is issued pursuant to subdivision 4 or 5 to a
5658 major league sports franchise or to the operator of a facility; (ii) is issued pursuant to subdivision 6 to an
5659 applicant that operates or intends to operate a casino gaming establishment; or (iii) is revoked, expires, or
5660 otherwise becomes not effective.

5661 3. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner
5662 shall consider the following factors:

5663 a. The contents of the applicant's application as required by subsection B;

5664 b. The extent to which the applicant demonstrates past experience, financial viability, compliance with
5665 applicable laws and regulations, and success with sports betting operations in other states;

5666 c. The extent to which the applicant will be able to meet the duties of a permit holder, as specified in §
5667 29.5-404;

5668 d. Whether the applicant has demonstrated to the Commission that it has made serious, good-faith efforts
5669 to solicit and interview a reasonable number of investors that are minority individuals, as defined in §
5670 2.2-1604;

5671 e. The amount of adjusted gross revenue and associated tax revenue that an applicant is expected to
5672 generate;

5673 f. The effect of issuing an additional permit on the amount of gross revenue and associated tax revenue
5674 generated by all existing permit holders, considered in the aggregate; and

5675 g. Any other factor the Board considers relevant.

5676 4. In issuing permits to operate sports betting platforms prior to July 1, 2025, the Commissioner shall
5677 give substantial and preferred consideration to any applicant that is a major league sports franchise
5678 headquartered in the Commonwealth that remitted personal state income tax withholdings based on taxable
5679 wages in the Commonwealth in excess of \$200 million for the 2019 taxable year. Any permit holder granted a
5680 permit pursuant to this subdivision shall receive substantial and preferred consideration of its first, second,
5681 and third applications for renewal pursuant to the provisions of § 29.5-403; however, such permit holder
5682 shall not receive substantial and preferred consideration of its fourth and subsequent applications for
5683 renewal. Any permit granted pursuant to this subdivision shall expire if the permit holder ceases to maintain
5684 its headquarters in the Commonwealth.

5685 5. In issuing permits to operate sports betting platforms prior to July 1, 2025, the Commissioner shall

5686 give substantial and preferred consideration to any applicant that is a major league sports franchise that
5687 plays five or more regular season games per year at a facility in the Commonwealth or that is the operator of
5688 a facility in the Commonwealth where a major league sports franchise plays five or more regular season
5689 games per year; however, the Commissioner shall give such substantial and preferred consideration only if
5690 the applicant (i) is headquartered in the Commonwealth, (ii) has an annualized payroll for taxable wages in
5691 the Commonwealth that is in excess of \$10 million over the 90-day period prior to the application date, and
5692 (iii) the total number of individuals working at the facility in the Commonwealth where the major league
5693 sports franchise plays five or more regular season games is in excess of 100.

5694 6. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner
5695 shall give substantial and preferred consideration to any applicant that (i) has made or intends to make a
5696 capital investment of at least \$300 million in a casino gaming establishment, including the value of the real
5697 property upon which such establishment is located and all furnishings, fixtures, and other improvements; (ii)
5698 has had its name submitted as a preferred casino gaming operator to the Commissioner by an eligible host
5699 city; and (iii) has been certified by the Commissioner to proceed to a local referendum on whether casino
5700 gaming will be allowed in the locality in which the applicant intends to operate a casino gaming
5701 establishment.

5702 7. In issuing permits to operate sports betting platforms prior to July 1, 2025, the Commissioner shall
5703 give substantial and preferred consideration to any applicant that demonstrates in its application (i) a
5704 description of any equity interest owned by minority individuals or minority-owned businesses, (ii) a detailed
5705 plan to achieve increased minority equity investment, (iii) a description of all efforts made to seek equity
5706 investment from minority individuals or minority-owned businesses, or (iv) a plan detailing efforts made to
5707 solicit participation of minority individuals or minority-owned businesses in the applicant's purchase of
5708 goods and services related to the sports betting platform or to provide assistance to a historically
5709 disadvantaged community or historically black colleges and universities located within the Commonwealth.
5710 As used in this subdivision, "historically black colleges and universities," "minority individual," and
5711 "minority-owned business" mean the same as those terms are defined in § 2.2-1604.

5712 8. In a manner as may be required by Board regulation, any entity that applies pursuant to subdivision 4,
5713 5, 6, or 7 may demonstrate compliance with the requirements of an application, the duties of a permit holder,
5714 and any other provision of this chapter through the use of a partner, subcontractor, or other affiliate of the

5715 applicant.

5716 E. The Commissioner shall make a determination on an initial application for a sports betting permit
5717 within 90 days of receipt. The Commissioner's action shall be final unless appealed in accordance with §
5718 29.5-104.

5719 F. The following shall be grounds for denial of a permit or renewal of a permit:

5720 1. The Commissioner reasonably believes the applicant will be unable to satisfy the duties of a permit
5721 holder as described in subsection A of § 29.5-404:

5722 2. The Commissioner reasonably believes that the applicant or its directors lack good character, honesty,
5723 or integrity;

5724 3. The Commissioner reasonably believes that the applicant's prior activities, criminal record, reputation,
5725 or associations are likely to (i) pose a threat to the public interest, (ii) impede the regulation of sports betting,
5726 or (iii) promote unfair or illegal activities in the conduct of sports betting;

5727 4. The applicant or its directors knowingly make a false statement of material fact or deliberately fail to
5728 disclose information requested by the Commissioner;

5729 5. The applicant or its directors knowingly fail to comply with the provisions of this chapter or any
5730 requirements of the Commissioner;

5731 6. The applicant or its directors were convicted of a felony, a crime of moral turpitude, or any criminal
5732 offense involving dishonesty or breach of trust within the 10 years prior to the submission date of the permit
5733 application;

5734 7. The applicant's license, registration, or permit to conduct a sports betting operation issued by any
5735 other jurisdiction has been suspended or revoked;

5736 8. The applicant defaults in payment of any obligation or debt due to the Commonwealth; or

5737 9. The applicant's application is incomplete.

5738 G. The Commissioner shall have the discretion to waive any of the grounds for denial of a permit or
5739 renewal of a permit if he determines that denial would limit the number of applicants or permit holders in a
5740 manner contrary to the best interests of the Commonwealth.

5741 H. Prior to issuance of a permit, each permit holder shall either (i) be bonded by a surety company
5742 entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the
5743 regulations of the Board or (ii) provide other surety, letter of credit, or reserve as may be satisfactory to the

5744 Commissioner. Such surety shall be prescribed by Board regulations and shall not exceed a reasonable
5745 amount.

5746 I. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or
5747 knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in any application
5748 pursuant to this chapter is guilty of a Class 1 misdemeanor.

5749 J. In addition to the fee required pursuant to subdivision A 2, any applicant to which the Commissioner
5750 issues a permit shall pay a nonrefundable fee of \$250,000 to the Commission prior to the issuance of such
5751 permit. Such fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund
5752 established pursuant to § 29.5-119.

5753 **§ 29.5-403. Renewals of permits.**

5754 A. A permit issued pursuant to § 29.5-402 shall be valid for three years from the date issued.

5755 B. At least 60 days before the expiration of a permit, the permit holder shall submit a renewal application,
5756 on forms prescribed by the Board, with a nonrefundable renewal fee of \$200,000. Such fees shall be
5757 deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.

5758 C. The Commissioner may deny a permit renewal if he finds grounds for denial as described in subsection
5759 F of § 29.5-402. The Commissioner's action shall be final unless appealed in accordance with § 29.5-104.

5760 D. The Commissioner shall make a determination on an application for a renewal of a sports betting
5761 permit within 60 days of receipt. The Commissioner's action shall be final unless appealed in accordance
5762 with § 29.5-104.

5763 **§ 29.5-404. Duties of permit holders.**

5764 A. A permit holder shall ensure that its sports betting operation takes reasonable measures to:

5765 1. Ensure that only persons physically located in Virginia are able to place bets through its sports betting
5766 platform, if applicable;

5767 2. Protect the confidential information of bettors using its sports betting platform or placing bets at its
5768 sports betting facility;

5769 3. Prevent betting on events that are prohibited by § 29.5-409, underage betting as prohibited by §
5770 29.5-410, and bets by persons who are prohibited from sports betting by § 29.5-411;

5771 4. Allow persons to restrict themselves from placing bets with the permit holder, including sharing, at the
5772 person's request, his request for self-exclusion with the Commission for the sole purpose of disseminating the

5773 request to other permit holders:

5774 5. Establish procedures to detect suspicious or illegal betting activity, including measures to immediately
5775 report such activity to the Commission;

5776 6. Provide for the issuance of applicable tax forms to persons who meet the reporting threshold for
5777 income from sports betting; and

5778 7. If applicable, allow sports bettors to establish and fund sports betting accounts over the Internet on a
5779 sports betting platform, which may be funded through methods including automated clearing house
5780 payments, credit cards, debit cards, wire transfers, or any other method approved by the Commissioner
5781 under § 29.5-401.

5782 B. A permit holder shall maintain records on:

5783 1. All bets, including the bettor's personal information, the amount and type of bet, the time and location
5784 of the bet, and the outcome of the bet; and

5785 2. Suspicious or illegal betting activity.

5786 C. A permit holder shall disclose the records described in subsection B to the Commission upon request
5787 and shall maintain such records for at least three years after the related sports event occurs.

5788 D. 1. If a sports governing body notifies the Commission that real-time information-sharing for bets
5789 placed on its sporting events is necessary and desirable, permit holders shall, as soon as is commercially
5790 reasonable, share the information required to be retained pursuant to subdivision B 1 of § 29.5-404 with the
5791 sports governing body or its designee with respect to bets on its sporting events. The information shared
5792 pursuant to this subsection shall be shared pseudonymously and shall not include personal information
5793 associated with any bettor. A permit holder shall not be required to share any information that is required to
5794 be kept confidential under federal or state law.

5795 2. A sports governing body shall use information shared pursuant to this subsection only for the purpose
5796 of integrity monitoring and shall not use such information for any commercial purpose. A sports governing
5797 body shall provide for security measures with respect to such information so as to prevent unauthorized
5798 access and distribution.

5799 E. In advertising its sports betting operations, a permit holder shall ensure that its advertisements:

5800 1. Do not target persons under the age of 21;

5801 2. Disclose the identity of the permit holder;

- 5802 3. Provide information about or links to resources related to gambling addiction; and
- 5803 4. Are not misleading to a reasonable person.
- 5804 F. A permit holder shall not sublicense, convey, concede, or otherwise transfer its permit to a third party
- 5805 unless granted approval by the Commissioner. The Commissioner shall charge a nonrefundable fee of
- 5806 \$200,000 for a permit transfer. Such fees shall be deposited into the Commonwealth Gaming Operations
- 5807 Fund established pursuant to § 29.5-119.
- 5808 G. 1. A permit holder may operate its sports betting platform under a brand other than its own but is
- 5809 prohibited from holding itself out to the public as a sports betting operation under more than one brand, and
- 5810 a permit holder shall conspicuously display its utilized brand to sports bettors; however, if a permit holder is
- 5811 a major league sports franchise, it shall not be required to associate the name of its sports betting platform
- 5812 with the name of the major league sports franchise and shall be allowed to hold its sports betting platform
- 5813 out to the public under a separate brand name.
- 5814 2. A permit holder is prohibited from cooperatively marketing its sports betting platform with any
- 5815 business issued a license pursuant to the provisions of Title 4.1. This prohibition shall not apply to any motor
- 5816 sports facility, major league sports franchise, or operator of a facility issued a permit pursuant to the
- 5817 provisions of subdivision D 4 or D 5 of § 29.5-402, provided that such motor sports facility, major league
- 5818 sports franchise, or operator of a facility shall be authorized to cooperatively market only on the premises of
- 5819 its stadium. If casino gaming is authorized under the laws of the Commonwealth and a casino gaming
- 5820 operator is licensed by the Commissioner as a permit holder, the prohibition in this subdivision shall not
- 5821 apply to such operator, provided that such operator shall be authorized to cooperatively market only on the
- 5822 premises of its casino gaming establishment. A permit holder shall not be allowed an exemption from the
- 5823 prohibition in this subdivision unless (i) such permit holder complies with any applicable local zoning
- 5824 ordinances and (ii) the local governing body approves by ordinance cooperative marketing with respect to
- 5825 the permit holder's stadium or casino gaming establishment.
- 5826 H. A permit holder shall not purchase or use any personal biometric data unless the permit holder has
- 5827 received written permission from the athlete's exclusive bargaining representative.
- 5828 I. Permit holders shall at all times maintain cash reserves in amounts to be established by Board
- 5829 regulation.
- 5830 § 29.5-405. Suspension and revocation of permits; civil penalties.

5831 If the Commissioner determines that a permit holder has violated this chapter, he may, with at least 15
5832 days' notice and a hearing, (i) suspend or revoke the permit holder's permit and (ii) impose a monetary
5833 penalty of not more than \$1,000 for each violation per day of this chapter. The Commission shall enforce
5834 civil penalties under this section and shall deposit all collected penalties to the general fund. The
5835 Commissioner's action shall be final unless appealed in accordance with § 29.5-104.

5836 § 29.5-406. Use of official league data.

5837 A. A permit holder may use any data source for determining the result of a tier 1 bet.

5838 B. A sports governing body may notify the Commission that it desires permit holders to use official league
5839 data to settle tier 2 bets. A notification under this subsection shall be made according to forms and
5840 procedures prescribed by the Board. The Commissioner shall notify each permit holder of the sports
5841 governing body's notification within five days after the Commission's receipt of the notification. If a sports
5842 governing body does not notify the Commission of its desire to supply official league data, a permit holder
5843 may use any data source for determining the result of a tier 2 bet on a professional sports event of the league
5844 governed by the sports governing body.

5845 C. Within 60 days after the Commissioner notifies each permit holder as required under subsection B,
5846 permit holders shall use only official league data to determine the results of tier 2 bets on professional sports
5847 events of the league governed by the sports governing body, unless any of the following apply:

5848 1. The sports governing body is unable to provide a feed, on commercially reasonable terms, of official
5849 league data to determine the results of a tier 2 bets, in which case permit holders may use any data source for
5850 determining the results of tier 2 bets until the data feed becomes available on commercially reasonable terms.

5851 2. A permit holder demonstrates to the Commission that the sports governing body has not provided or
5852 offered to provide a feed of official league data to such permit holder on commercially reasonable terms,
5853 according to criteria identified in subsection D.

5854 D. The Commissioner shall consider the following information in determining whether a sports governing
5855 body has provided or offered to provide a feed of official league data on commercially reasonable terms:

5856 1. The availability of a sports governing body's official league data for tier 2 bets from more than one
5857 authorized source;

5858 2. Market information regarding the purchase, in Virginia and in other states, by permit holders of data
5859 from all authorized sources;

5860 3. The nature and quantity of the data, including the quality and complexity of the process used for
5861 collecting the data; and

5862 4. Any other information the Commissioner deems relevant.

5863 E. During any time period in which the Commissioner is determining whether official league data is
5864 available on commercially reasonable terms pursuant to the provisions of subsections C and D, a permit
5865 holder may use any data source for determining the results of any tier 2 bets. The Commissioner shall make a
5866 determination under subsections C and D within 120 days after a permit holder notifies the Commission that
5867 it desires to demonstrate that a sports governing body has not provided or offered to provide a feed of official
5868 league data to the permit holder on commercially reasonable terms.

5869 Article 3.

5870 Taxation.

5871 § 29.5-407. Tax on adjusted gross revenue.

5872 A. There shall be imposed a tax of 15 percent on a permit holder's adjusted gross revenue.

5873 B. The tax imposed pursuant to this section is due monthly to the Commission, and the permit holder shall
5874 remit it on or before the twentieth day of the next succeeding calendar month. If the permit holder's
5875 accounting necessitates corrections to a previously remitted tax, the permit holder shall document such
5876 corrections when it pays the following month's taxes.

5877 C. If the permit holder's adjusted gross revenue for a month is a negative number, the permit holder may
5878 carry over the negative amount to a return filed for a subsequent month and deduct such amount from its tax
5879 liability for such month, provided that such amount shall not be carried over and deducted against tax
5880 liability in any month that is more than 12 months later than the month in which such amount was accrued.

5881 § 29.5-408. Distribution of tax revenue.

5882 A. The Commission shall allocate 2.5 percent of the tax revenue collected pursuant to § 29.5-407 to the
5883 Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2.

5884 B. The Commission shall allocate the remaining 97.5 percent of the tax revenue collected pursuant to §
5885 29.5-407 to the general fund.

5886 Article 4.

5887 Prohibited Acts; Penalties.

5888 § 29.5-409. Events on which betting is prohibited; penalty.

- 5889 A. 1. No person shall place or accept a bet on youth sports.
- 5890 2. No person shall place or accept a proposition bet on college sports.
- 5891 3. No person shall place or accept a bet on Virginia college sports.
- 5892 B. 1. A sports governing body may notify the Commission that it desires to restrict, limit, or prohibit
- 5893 sports betting on its sporting events by providing notice in accordance with requirements prescribed by the
- 5894 Board. A sports governing body also may request to restrict the types of bets that may be offered.
- 5895 Notwithstanding § 29.5-400, for purposes of this section, "sports governing body" includes any organization
- 5896 that is not headquartered in the United States and that otherwise meets the definition of "sports governing
- 5897 body."
- 5898 2. For any request made pursuant to subdivision 1, the requester shall bear the burden of establishing to
- 5899 the satisfaction of the Commissioner that the relevant betting or other activity poses a significant and
- 5900 unreasonable integrity risk. The Commissioner shall seek input from affected permit holders before making a
- 5901 determination on such request.
- 5902 3. If the Commissioner denies a request made pursuant to subdivision 1, the Commissioner shall give the
- 5903 requester notice and the right to be heard and offer proof in opposition to such determination in accordance
- 5904 with regulations established by the Board. If the Commissioner grants a request, the Board shall promulgate
- 5905 by regulation such restrictions, limitations, or prohibitions as may be requested.
- 5906 4. A permit holder shall not offer or take any bets in violation of regulations promulgated by the Board
- 5907 pursuant to this subsection.
- 5908 C. The prohibitions in subdivisions A 1 and A 3 shall be limited to the single game or match in which a
- 5909 youth sports or Virginia college sports team is a participant. The prohibitions shall not be construed to
- 5910 prohibit betting on other games in a tournament or multigame event in which a youth sports or Virginia
- 5911 college sports team participates, so long as such other games do not have a participant that is a youth sports
- 5912 or Virginia college sports team.
- 5913 D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.
- 5914 **§ 29.5-410. Underage betting prohibited; penalty.**
- 5915 A. No person shall knowingly accept or redeem a sports bet by, or knowingly offer to accept or redeem a
- 5916 sports bet on behalf of, a person under the age of 21 years.
- 5917 B. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

5918 § 29.5-411. Persons prohibited from sports betting; penalty.

5919 A. The following persons shall be prohibited from sports betting:

5920 1. The Commissioner and any Board member, officer, or employee of the Commission;

5921 2. Any permit holder;

5922 3. Any director, officer, owner, or employee of a permit holder and any relative living in the same
5923 household as such persons; and

5924 4. Any officer or employee of any entity working directly on a contract with the Commission related to
5925 sports betting.

5926 B. The persons described in subdivision A 3 shall be prohibited from sports betting only with respect to
5927 the related permit holder, but shall not be prohibited from placing sports bets with other permit holders.

5928 C. Any competitor, coach, trainer, employee, or owner of a team in a professional or college sports event,
5929 or any referee for a professional or college sports event, shall be prohibited from placing a bet on any event
5930 in a league in which such person participates. In determining which persons are prohibited from placing
5931 wagers under this subsection, a permit holder shall use publicly available information and any lists of
5932 persons that a sports governing body may provide to the Commission.

5933 D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

5934 § 29.5-412. Operation and advertising of unpermitted facilities prohibited; penalty.

5935 A. No person, except for a permit holder authorized pursuant to the provisions of this chapter, shall make
5936 its premises available for placing sports bets using the Internet or advertise that its premises may be used for
5937 such purpose.

5938 B. The Commissioner may impose a monetary penalty for each violation of this section. For a person
5939 determined to have made its premises available for placing sports bets using the Internet, the penalty shall
5940 not exceed \$1,000 per day per individual who places a sports bet. For a person determined to have
5941 advertised that its premises may be used for such purpose, the penalty shall not exceed \$10,000 per violation.

5942 § 29.5-413. Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.

5943 A. No permit holder, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an
5944 advertisement in association with its product or service. Any permit holder, or affiliate thereof, that violates
5945 this section shall be subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the
5946 provisions of this section.

5947 B. All civil penalties collected pursuant to this section shall accrue to the general fund.

5948 **§ 29.5-414. Reporting and investigating prohibited conduct.**

5949 A. The Commission shall establish a hotline or other method of communication that allows any person to
5950 confidentially report information about prohibited conduct to the Commission.

5951 B. The Commission shall investigate all reasonable allegations of prohibited conduct by a permit holder.
5952 The Commission shall refer credible allegations of prohibited conduct by any person to the appropriate
5953 law-enforcement entity.

5954 C. The Commission shall maintain the confidentiality of the identity of any reporting person unless such
5955 person authorizes disclosure of his identity or until such time as the allegation of prohibited conduct is
5956 referred to law enforcement. If an allegation of prohibited conduct is referred to law enforcement, the
5957 Commission shall disclose a reporting person's identity only to the applicable law-enforcement agency. The
5958 identity of a reporting person shall be excluded from the provisions of § 2.2-3705.7.

5959 D. If the Commission receives a complaint of prohibited conduct by an athlete, the Commission shall
5960 notify the appropriate sports governing body of the athlete to review the complaint.

5961 E. The Commission and permit holders shall cooperate with investigations conducted by sports governing
5962 bodies or law-enforcement agencies. Such cooperation shall include providing or facilitating the provision of
5963 account-level betting information and audio or video files relating to persons placing wagers.

5964 **§ 29.5-415. Required direct notification to the Commission and to sports governing bodies.**

5965 A. A permit holder shall, as soon as is commercially reasonable, report to the Commission any
5966 information relating to:

5967 1. Criminal or disciplinary proceedings commenced against the permit holder in connection with its
5968 operations in the Commonwealth or in any other jurisdiction;

5969 2. Abnormal betting activity or patterns that may indicate a risk to the integrity of a bet or wager;

5970 3. Any potential breach of a sports governing body's rules and codes of conduct pertaining to sports
5971 betting, to the extent that such rules and codes of conduct are provided to and known by the permit holder;

5972 4. Any conduct that may alter the outcome of an athletic event for purposes of financial gain, including
5973 match fixing; and

5974 5. Suspicious or illegal wagering activities, including using funds derived from illegal activity to place
5975 bets, using bets to conceal or launder funds derived from illegal activity, using agents to place bets, and

5976 using false identification to place bets.

5977 B. A permit holder shall, as soon as is commercially practicable, report the information described in
5978 subdivisions A 2, 3, and 4 to any sports governing body that may be affected by the activities described in
5979 subdivisions A 2, 3, and 4.

5980 **§ 29.5-416. Liquidity pools.**

5981 The Board may promulgate rules authorizing permit holders to offset loss and manage risk, directly or
5982 with a third party approved by the Commissioner, through the use of a liquidity pool in Virginia or another
5983 jurisdiction so long as such permit holder, or an affiliate of such permit holder, is licensed by such
5984 jurisdiction to operate a sports betting business. However, a permit holder's use of a liquidity pool shall not
5985 eliminate its duty to ensure that it has sufficient funds available to pay bettors.

5986 **§ 29.5-417. Intermediate routing of electronic data.**

5987 All sports betting shall be initiated and received within Virginia unless otherwise permitted by federal
5988 law. Consistent with the intent of the United States Congress as expressed in the Unlawful Internet Gambling
5989 Enforcement Act, 31 U.S.C. § 5361 et seq., the intermediate routing of electronic data relating to lawful
5990 intrastate sports betting authorized under this chapter shall not determine the location in which such bet is
5991 initiated and received.

5992 **CHAPTER 5.**

5993 **FANTASY CONTESTS.**

5994 **§ 29.5-500. Definitions.**

5995 As used in this chapter, unless the context requires otherwise:

5996 "Confidential information" means information related to the play of a fantasy contest by fantasy contest
5997 players obtained as a result of or by virtue of a person's employment.

5998 "Entry fee" means cash or cash equivalent that is required to be paid by a fantasy contest participant to a
5999 fantasy contest operator in order to participate in a fantasy contest.

6000 "Fantasy contest" includes any online fantasy or simulated game or contest with an entry fee in which (i)
6001 the value of all prizes and awards offered to winning participants is established and made known to the
6002 participants in advance of the contest; (ii) all winning outcomes reflect the relative knowledge and skill of the
6003 participants and shall be determined by accumulated statistical results of the performance of individuals,
6004 including athletes in the case of sports events; and (iii) no winning outcome is based on the score, point

6005 spread, or any performance of any single actual team or combination of teams or solely on any single
6006 performance of an individual athlete or player in any single actual event.

6007 "Fantasy contest operator" or "operator" means a person or entity that offers fantasy contests for a cash
6008 prize to members of the public.

6009 "Fantasy contest player" or "player" means a person who participates in a fantasy contest offered by a
6010 fantasy contest operator.

6011 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
6012 family members beneficially owns or controls, directly or indirectly, 15 percent or more of the equity
6013 ownership of a fantasy contest operator or who in concert with his spouse and immediate family members has
6014 the power to vote or cause the vote of 15 percent or more of the equity ownership of any such operator.

6015 **§ 29.5-501. Registration of fantasy contest operators required; application for registration; issuance of**
6016 **registration certificate; penalty.**

6017 A. No fantasy contest operator shall offer any fantasy contest in the Commonwealth without first being
6018 registered with the Commission. Applications for registration shall be on forms prescribed by the Board. Any
6019 registration issued by the Commissioner shall be valid for one year from the date of issuance.

6020 B. The application for registration submitted by a fantasy contest operator shall contain the following
6021 information:

6022 1. The name and principal address of the applicant; if a corporation, the state of its incorporation, the full
6023 name and address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to
6024 do business in the Commonwealth; if a partnership or joint venture, the name and address of each officer
6025 thereof;

6026 2. The address of any offices of the applicant in the Commonwealth and its designated agent for process
6027 within the Commonwealth. If no such agent is designated, the applicant shall be deemed to have designated
6028 the Commissioner. If the operator does not maintain an office, the name and address of the person having
6029 custody of its financial records;

6030 3. The place where and the date when the applicant was legally established and the form of its
6031 organization;

6032 4. The names and addresses of the officers, directors, trustees, and principal salaried executive staff
6033 officer;

- 6034 5. The name and address of each principal stockholder or member of such corporation; and
- 6035 6. Such information as the Board deems necessary to ensure compliance with the provisions of this
- 6036 chapter.
- 6037 C. Every registration filed pursuant to this chapter shall be accompanied by a nonrefundable, initial
- 6038 application fee set by the Board.
- 6039 D. As a condition of registration, a fantasy contest operator shall submit evidence satisfactory to the
- 6040 Board that the operator has established and will implement procedures for fantasy contests that:
- 6041 1. Prevent him or his employees and relatives living in the same household as the operator from
- 6042 competing in any public fantasy contest offered by such operator in which the operator offers a cash prize;
- 6043 2. Prevent the sharing of confidential information that could affect fantasy contest play with third parties
- 6044 until the information is made publicly available;
- 6045 3. Verify that any fantasy contest player is 18 years of age or older;
- 6046 4. Ensure that players who are the subject of a fantasy contest are restricted from entering a fantasy
- 6047 contest that is determined, in whole or part, on the accumulated statistical results of a team of individuals in
- 6048 which such players are participants;
- 6049 5. Allow individuals to restrict themselves from entering a fantasy contest upon request and take
- 6050 reasonable steps to prevent those individuals from entering the operator's fantasy contests;
- 6051 6. Disclose the number of entries a single fantasy contest player may submit to each fantasy contest and
- 6052 take reasonable steps to prevent such players from submitting more than the allowable number; and
- 6053 7. Segregate player funds from operational funds in separate accounts and maintain a reserve in the form
- 6054 of cash, cash equivalents, irrevocable letter of credit, bond, or a combination thereof in an amount sufficient
- 6055 to pay all prizes and awards offered to winning participants.
- 6056 E. If the registration forms are filed online using a website approved by the Commissioner, the operator
- 6057 shall follow the procedures on that website for signing the forms.
- 6058 F. Any operator that allows its registration to lapse, without requesting an extension of time to file, shall
- 6059 be required to resubmit an initial registration. An extension may be granted by the Commissioner upon
- 6060 receipt of a written request.
- 6061 **§ 29.5-502. Issuance of registration; denial of same.**
- 6062 A. The Commissioner shall consider all applications for registration and shall issue a valid registration to

6063 an applicant that meets the criteria set forth in this chapter.

6064 B. The Commissioner shall deny registration to any applicant unless it finds that:

6065 1. If the corporation is a stock corporation, such stock is fully paid and nonassessable and has been
6066 subscribed and paid for only in cash or property to the exclusion of past services and, if the corporation is a
6067 nonstock corporation, that there are at least five members;

6068 2. All principal stockholders or members have submitted to the jurisdiction of the courts of the
6069 Commonwealth for the purposes of this chapter, and all nonresident principal stockholders or members have
6070 designated the Commissioner as their agent for receipt of process;

6071 3. The applicant's articles of incorporation provide that the corporation may, on vote of a majority of the
6072 stockholders or members, purchase at fair market value the entire membership interest of any stockholder or
6073 require the resignation of any member who is or becomes unqualified for such position under subsection C;
6074 and

6075 4. The applicant meets the criteria established by the Board for the granting of registration.

6076 C. The Commissioner may deny registration to an applicant if he finds that the applicant, or any officer,
6077 partner, principal stockholder, or director of the applicant:

6078 1. Has knowingly made a false statement of material fact or has deliberately failed to disclose any
6079 information requested;

6080 2. Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection
6081 with any fantasy contest in this or any other state or has been convicted of a felony, a crime of moral
6082 turpitude, or any criminal offense involving dishonesty or breach of trust within the 10 years prior to the date
6083 of application for registration;

6084 3. Has at any time knowingly failed to comply with the provisions of this chapter or of any requirements of
6085 the Board;

6086 4. Has had a registration or permit to hold or conduct fantasy contests denied for just cause, suspended,
6087 or revoked in any other state or country;

6088 5. Has legally defaulted in the payment of any obligation or debt due to the Commonwealth; or

6089 6. Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of
6090 the Commonwealth.

6091 D. Any operator applying for registration or renewal of a registration may operate during the application

6092 period unless the Commissioner has reasonable cause to believe that such operator is or may be in violation
6093 of the provisions of this chapter and the Commissioner requires such operator to suspend the operation of
6094 any fantasy contest until registration or renewal of registration is issued.

6095 E. The Commissioner shall issue such registration within 60 days of receipt of the application for
6096 registration. If the registration is not issued, the Commissioner shall provide the operator with specific
6097 justification for not issuing such registration.

6098 **§ 29.5-503. Independent audit required; submission to Commission.**

6099 A registered operator shall (i) annually contract with a certified public accountant to conduct an
6100 independent audit, consistent with the standards accepted by the Board of Accountancy; (ii) annually
6101 contract with a testing laboratory recognized by the Commission to verify compliance with the provisions of
6102 subsection D of § 29.5-501; and (iii) submit to the Commission a copy of the (a) audit report and (b) report
6103 of the testing laboratory as required by clause (ii).

6104 **§ 29.5-504. Powers and duties of the Board and the Commission.**

6105 A. The Commission shall have all powers and duties necessary to carry out the provisions of this chapter.
6106 The Board may establish procedures deemed necessary to carry out the provisions of this chapter.

6107 B. Whenever it appears to the Commission that any person has violated any provision of this chapter, it
6108 may apply to the appropriate circuit court for an injunction against such person. The order granting or
6109 refusing such injunction shall be subject to appeal as in other cases in equity.

6110 C. Whenever the Commission has reasonable cause to believe that a violation of this chapter may have
6111 occurred, the Commission, upon its own motion or upon complaint of any person, may investigate any
6112 fantasy contest operator to determine whether such operator has violated the provisions of this chapter. In
6113 the conduct of such investigation, the Commission may:

6114 1. Require or permit any person to file a statement in writing, under oath or otherwise as the Commission
6115 determines, as to all facts and circumstances concerning the matter to be investigated; and

6116 2. Administer oaths or affirmations and, upon its own motion or upon request of any party, subpoena
6117 witnesses and compel their attendance, take evidence, and require the production of any matter that is
6118 relevant to the investigation, including the existence, description, nature, custody, condition, and location of
6119 any books, documents, or other tangibles and the identity and location of persons having knowledge of
6120 relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence.

6121 D. Any proceedings or hearings by the Commission under this chapter, where witnesses are subpoenaed
6122 and their attendance is required for evidence to be taken or any matter is to be produced to ascertain
6123 material evidence, shall take place within the City of Richmond.

6124 E. Upon failure to obey a subpoena and upon reasonable notice to all persons affected thereby, the
6125 Commission may apply to the Circuit Court of the City of Richmond for an order imposing punishment for
6126 contempt of the subpoena or compelling compliance.

6127 **§ 29.5-505. Suspension or revocation of registration.**

6128 A. After a hearing with 15 days' notice, the Commissioner may suspend or revoke any registration or
6129 impose on such operator a monetary penalty of not more than \$1,000 for each violation of this chapter, not to
6130 exceed \$50,000, in any case where a violation of this chapter has been shown by a preponderance of the
6131 evidence. The Commissioner may revoke a registration if he finds that facts not known by him at the time he
6132 considered the application indicate that such registration should not have been issued.

6133 B. The Commissioner may summarily suspend any registration for a period of not more than seven days
6134 pending a hearing and final determination by the Commission if the Commissioner determines that a
6135 violation of this chapter has occurred and emergency action is required to protect the public health, safety,
6136 and welfare. The Commission shall (i) schedule a hearing within seven business days after the registration is
6137 summarily suspended and (ii) notify the registered operator not less than five business days before the
6138 hearing of the date, time, and place of the hearing.

6139 C. If any such registration is suspended or revoked, the Commissioner shall state his reasons for doing so,
6140 which shall be entered of record. Such action shall be final unless appealed in accordance with § 29.5-506.
6141 Suspension or revocation of a registration issued by the Commissioner for any violation shall not preclude
6142 civil liability for such violation.

6143 **§ 29.5-506. Hearing and appeal.**

6144 Any person aggrieved by a denial of the Commissioner to issue a registration, the suspension or
6145 revocation of a registration, the imposition of a fine, or any other action of the Commission may seek review
6146 of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in the
6147 Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 (§ 2.2-4025
6148 et seq.) of the Administrative Process Act.

6149 **§ 29.5-507. Fees and charges.**

6150 All fees, charges, and monetary penalties collected by the Commission as provided in this chapter shall be
6151 paid into a special fund of the state treasury. Such funds shall be used to finance the administration and
6152 operation of this chapter.

6153 **§ 29.5-508. Commission to adjust fees; certain transfer of money collected prohibited.**

6154 A. Nongeneral funds generated by fees collected in accordance with this chapter on behalf of the
6155 Commission and accounted for and deposited into a special fund by the Commissioner shall be held
6156 exclusively to cover the expenses of the Commission in administering this chapter and shall not be
6157 transferred to any other agency.

6158 B. Following the close of any biennium, when the account for the Commission maintained under this
6159 chapter shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than
6160 moneys collected on behalf of the Commission, it shall revise the fees levied by it for registration and renewal
6161 thereof so that the fees are sufficient but not excessive to cover expenses.

6162 **§ 29.5-509. Public inspection of information filed with the Commission; charges for production.**

6163 A. Except as provided in subsection B, registrations required to be filed under this chapter shall be open
6164 to the public for inspection at such time and under such conditions as the Board may prescribe. A charge not
6165 exceeding \$1 per page may be made for any copy of such documents as may be furnished to any person by
6166 the Commission.

6167 B. Reports, data, or documents submitted to the Commission pursuant to the audit requirements of §
6168 29.5-503 and records submitted to the Commission as part of an application for registration or renewal that
6169 contain information about the character or financial responsibility of the operator or its principal
6170 stockholders shall be deemed confidential and shall be exempt from disclosure under the Virginia Freedom of
6171 Information Act (§ 2.2-3700 et seq.).

6172 **§ 29.5-510. Registration not endorsement.**

6173 No registered operator shall use or exploit the fact of registration under this chapter so as to lead the
6174 public to believe that such registration in any manner constitutes an endorsement or approval by the
6175 Commonwealth.

6176 **§ 29.5-511. Acquisition of interest in fantasy contest operator.**

6177 A. If any person acquires actual control of a registered operator, such person shall register with the
6178 Commission in accordance with § 29.5-501.

6179 B. Where any such acquisition of control is without prior approval of the Commissioner, the
6180 Commissioner may suspend any registration it has issued to such operator, order compliance with this
6181 section, or take such other action as may be appropriate within the authority of the Commissioner.

6182 **§ 29.5-512. Civil penalty.**

6183 In addition to the provisions of § 29.5-505, any person, firm, corporation, association, agent, or employee
6184 who knowingly violates any procedure implemented under subsection D of § 29.5-501 or any other provision
6185 of this chapter shall be liable for a civil penalty of not more than \$1,000 for each such violation. Such
6186 amount shall be recovered in a civil action brought by the Commission and be paid into the Literary Fund.

6187 **§ 29.5-513. Fantasy contests conducted under this chapter not illegal gambling.**

6188 A. Nothing contained in Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 shall be applicable to a
6189 fantasy contest conducted in accordance with this chapter. The award of any prize money for any fantasy
6190 contest shall not be deemed to be part of any gaming contract within the purview of § 11-14.

6191 B. This section shall not apply to any sports betting or related activity that is lawful under Chapter 4 (§
6192 29.5-400 et seq.), which shall be regulated pursuant to such chapter.

6193 **§ 29.5-514. Liability imposed by other laws not decreased.**

6194 Except as provided in § 29.5-513, nothing contained in this chapter shall be construed as making lawful
6195 any act or omission that is now unlawful, or as decreasing the liability, civil or criminal, of any person,
6196 imposed by existing laws.

6197 **CHAPTER 6.**

6198 **LIVE HORSE RACING, HISTORICAL HORSE RACING, AND SIMULCAST HORSE RACING WITH**

6199 **PARI-MUTUEL WAGERING.**

6200 **Article I.**

6201 **General Provisions.**

6202 **§ 29.5-600. Control of live horse racing, historical horse racing, and simulcast horse racing with**
6203 **pari-mutuel wagering.**

6204 A. Horse racing with pari-mutuel wagering licensed pursuant to this chapter is permitted in the
6205 Commonwealth for the promotion, sustenance, and growth of a native industry, in a manner consistent with
6206 the health, safety, and welfare of the people. The Virginia Gaming Commission is vested with (i) plenary
6207 power and control of all historical horse racing and simulcast horse racing with pari-mutuel wagering in the

6208 Commonwealth and (ii) power to prescribe regulations and conditions under which live horse racing with
6209 pari-mutuel wagering shall be conducted, with the advice and in consultation with the Virginia Racing
6210 Commission established pursuant to § 29.5-602, so as to maintain horse racing in the Commonwealth of the
6211 highest quality and free of any corrupt, incompetent, dishonest, or unprincipled practices and to maintain in
6212 such racing complete honesty and integrity. The Virginia Gaming Commission shall encourage participation
6213 by local individuals and businesses in those activities associated with horse racing.

6214 B. The conduct of any horse racing with pari-mutuel wagering, participation in such horse racing or
6215 wagering, and entrance to any place where such racing or wagering is conducted is a privilege that may be
6216 granted or denied by the Commission or its duly authorized representatives in its discretion in order to
6217 effectuate the purposes set forth in this chapter.

6218 C. The award of any prize money for any pari-mutuel wager placed at a racetrack or satellite facility
6219 licensed by the Commission shall not be construed as a part of any gaming contract within the purview of §
6220 11-14.

6221 D. This section shall not apply to any sports betting or related activity that is lawful under Chapter 3 (§
6222 29.5-300 et seq.) or 4 (§ 29.5-400 et seq.), which shall be regulated pursuant to such chapters.

6223 **§ 29.5-601. Definitions.**

6224 As used in this chapter, unless the context requires a different meaning:

6225 "Advance deposit account wagering" means a method of pari-mutuel wagering conducted in the
6226 Commonwealth that is permissible under the Interstate Horseracing Act, 15 U.S.C. § 3001 et seq., and in
6227 which an individual may establish an account with an entity, licensed by the Commission, to place
6228 pari-mutuel wagers in person or electronically.

6229 "Breakage" means the odd cents by which the amount payable on each dollar wagered exceeds a multiple
6230 of \$0.10.

6231 "Commission" or "Gaming Commission" means the Virginia Gaming Commission established pursuant to
6232 § 29.5-101.

6233 "Dependent" means a son, daughter, father, mother, brother, sister, or other person, whether or not
6234 related by blood or marriage, if such person receives from an officer or employee more than one-half of his
6235 financial support.

6236 "Drug" means the same as that term is defined in § 54.1-3401. The Board shall, by regulation, define and

6237 designate those drugs the use of which is prohibited or restricted.

6238 "Enclosure" means all areas of the property of a track to which admission can be obtained only by
6239 payment of an admission fee or upon presentation of authorized credentials, and any additional areas
6240 designated by the Racing Commission.

6241 "Handle" means the total amount of all pari-mutuel wagering sales excluding refunds and cancellations.

6242 "Historical horse racing" means a form of horse racing that creates pari-mutuel pools from wagers
6243 placed on previously conducted horse races and is hosted at (i) a racetrack owned or operated by a
6244 significant infrastructure limited licensee or (ii) a satellite facility that is owned or operated by (a) a
6245 significant infrastructure limited licensee or (b) the nonprofit industry stakeholder organization recognized
6246 by the Commission and licensed to own or operate such satellite facility.

6247 "Horse racing" or "live horse racing" means a competition on a set course involving a race between
6248 horses on which pari-mutuel wagering is permitted.

6249 "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an
6250 officer or employee, who is a dependent of the officer or employee or of whom the officer or employee is a
6251 dependent.

6252 "Licensee" includes any person holding an owner's or operator's license pursuant to this chapter.

6253 "Member" includes any person designated a member of a nonstock corporation, and any person who by
6254 means of a pecuniary or other interest in such corporation exercises the power of a member.

6255 "Pari-mutuel wagering" means the system of wagering on horse races in which those who wager on
6256 horses that finish in the position or positions for which wagers are taken share in the total amounts wagered,
6257 plus any amounts provided by a licensee, less deductions required or permitted by law and includes
6258 pari-mutuel wagering on historical horse racing and simulcast horse racing originating within the
6259 Commonwealth or from any other jurisdiction.

6260 "Participant" means any person who (i) has an ownership interest in any horse entered to race in the
6261 Commonwealth or who acts as the trainer, jockey, or driver of any horse entered to race in the
6262 Commonwealth or (ii) takes part in any horse racing subject to the jurisdiction of the Commission or in the
6263 conduct of a race meeting or pari-mutuel wagering there, including a horse owner, trainer, jockey, or driver,
6264 groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, concessionaire or employee thereof,
6265 track employee, or other position the Commission deems necessary to regulate to ensure the integrity of

6266 horse racing in Virginia.

6267 "Permit holder" includes any person holding a permit to participate in any horse racing subject to the
6268 jurisdiction of the Commission or in the conduct of a race meeting or pari-mutuel wagering thereon as
6269 provided in § 29.5-628.

6270 "Person" means any individual, group of individuals, firm, company, corporation, partnership, business,
6271 trust, association, or other legal entity.

6272 "Pool" means the amount wagered during a race meeting or during a specified period of a race meeting.

6273 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
6274 family members, beneficially owns or controls, directly or indirectly, five percent or more of the stock of any
6275 person that is a licensee, or who in concert with his spouse and immediate family members, has the power to
6276 vote or cause the vote of five percent or more of any such stock. However, "principal stockholder" shall not
6277 include a broker-dealer registered under the Securities Exchange Act of 1934, as amended, which holds in
6278 inventory shares for sale on the financial markets for a publicly traded corporation holding, directly or
6279 indirectly, a license from the Commission.

6280 "Race meeting" means the whole consecutive period of time during which horse racing with pari-mutuel
6281 wagering is conducted by a licensee.

6282 "Racetrack" means an outdoor course located in the Commonwealth that is laid out for horse racing and
6283 is licensed by the Commission.

6284 "Racing Commission" means the Virginia Racing Commission established pursuant to § 29.5-602.

6285 "Recognized majority horsemen's group" means the organization recognized by the Racing Commission
6286 as the representative of the majority of owners and trainers racing at race meetings subject to the Gaming
6287 Commission's jurisdiction.

6288 "Retainage" means the total amount deducted from the pari-mutuel wagering pool for (i) a license fee to
6289 the Commission and localities, (ii) the licensee, (iii) purse money for the participants, (iv) the Virginia
6290 Breeders Fund, and (v) certain enumerated organizations as required or permitted by law, regulation, or
6291 contract approved by the Commission.

6292 "Satellite facility" means all areas of the property at which simulcast horse racing is received for the
6293 purposes of pari-mutuel wagering, and any additional areas designated by the Commission.

6294 "Significant infrastructure facility" means a horse racing facility that has been approved by a local

6295 referendum pursuant to § 29.5-632 and has a minimum racing infrastructure consisting of (i) a one-mile dirt
6296 track for flat racing, (ii) a seven-eighths-mile turf course for flat or jump racing, (iii) covered seating for no
6297 fewer than 500 persons, and (iv) barns with no fewer than 400 permanent stalls.

6298 "Significant infrastructure limited licensee" means a person who owns or operates a significant
6299 infrastructure facility and holds a limited license under § 29.5-616.

6300 "Simulcast horse racing" means the simultaneous transmission of the audio or video portion, or both, of
6301 horse races from a licensed horse racetrack or satellite facility to another licensed horse racetrack or
6302 satellite facility, regardless of state of licensure, whether such races originate within the Commonwealth or
6303 any other jurisdiction, by satellite communication devices, television cables, telephone lines, or any other
6304 means for the purposes of conducting pari-mutuel wagering.

6305 "Steward" means a racing official, duly appointed by the Commission, with powers and duties prescribed
6306 by Board regulations.

6307 "Stock" includes all classes of stock, partnership interest, membership interest, or similar ownership
6308 interest of an applicant or licensee, and any debt or other obligation of such person or an affiliated person if
6309 the Commission finds that the holder of such interest or stock derives therefrom such control of or voice in
6310 the operation of the applicant or licensee that he should be deemed an owner of stock.

6311 "Virginia Breeders Fund" means the fund established to foster the industry of breeding race horses in the
6312 Commonwealth.

6313 **§ 29.5-602. Virginia Racing Commission established; purpose; membership; compensation; duties.**

6314 A. The Virginia Racing Commission is established as an advisory board in state government for the
6315 purpose of advising the Virginia Gaming Commission on all aspects of the live horse racing industry in the
6316 Commonwealth. The Racing Commission shall have a total membership of five nonlegislative citizen
6317 members to be appointed by the Governor, subject to confirmation by the General Assembly. Nonlegislative
6318 citizen members shall be citizens of the Commonwealth.

6319 Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms.
6320 Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed.

6321 After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of five
6322 years.

6323 The Racing Commission shall elect a chairman and vice-chairman from among its membership. A

6324 majority of the members shall constitute a quorum. The meetings of the Racing Commission shall be held at
6325 the call of the chairman or whenever the majority of the members so request.

6326 Members shall receive such compensation for the performance of their duties as provided in § 2.2-2813.

6327 All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of
6328 their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation and expenses of
6329 the members shall be provided by the Virginia Gaming Commission.

6330 B. The Racing Commission shall have the following powers and duties:

6331 1. Advise the Virginia Gaming Commission on the conduct of live horse racing in the Commonwealth,
6332 including consulting with the Commission on the promulgation of all rules and regulations related to the live
6333 horse racing industry;

6334 2. Recommend policy and legislative changes to the Commission regarding horse racing, licensure and
6335 permitting, upkeep of racetracks and stable maintenance, or other matters related to the horse racing
6336 industry;

6337 3. Advise on other matters related to horse racing that the Commission may request or the Racing
6338 Commission may deem necessary; and

6339 4. Keep a complete and accurate record of its proceedings. A copy of such record and any other public
6340 records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall
6341 be available for public inspection and copying during regular office hours at the Commission.

6342 **§ 29.5-603. Financial interests of Racing Commission members and family members prohibited.**

6343 No member of the Racing Commission, and no spouse or immediate family member of any such member
6344 shall have any financial interest, direct or indirect, in (i) any horse racetrack, satellite facility, or operation
6345 incident thereto subject to the provisions of this chapter; (ii) any entity that has submitted an application for
6346 a license pursuant to this chapter; (iii) the operation of any such racetrack or satellite facility within the
6347 Commonwealth; or (iv) the operation of any wagering authorized under this chapter. No member of the
6348 Racing Commission, and no spouse or immediate family member of any such member shall (a) participate as
6349 owner of a horse or otherwise as a contestant in any race subject to the jurisdiction of the Gaming
6350 Commission; (b) have any pecuniary interest in the purse or prize contested for in any such race; or (c) make
6351 any contribution to a candidate for office or office holders on the local or state level, or cause a contribution
6352 to be made on their behalf.

6353 § 29.5-604. Powers and duties of the Commission.

6354 A. The Virginia Gaming Commission shall have all powers and duties necessary to carry out the
6355 provisions of this chapter. Such powers and duties may be executed by the Virginia Gaming Commission
6356 Board, and when in regard to live horse racing, shall be executed in consultation and with the advice and
6357 consent of the Virginia Racing Commission pursuant to the provisions of § 29.5-600.

6358 B. The powers and duties of the Gaming Commission shall include the following:

6359 1. The Commission is vested with jurisdiction and supervision over all horse racing, historical horse
6360 racing, and simulcast horse racing licensed under the provisions of this chapter including all persons
6361 conducting, participating in, or attending any race meeting. It shall employ such persons to be present at
6362 race meetings as are necessary to ensure that they are conducted with order and the highest degree of
6363 integrity. It may eject or exclude from the enclosure or from any part of such enclosure any person, whether
6364 or not he possesses a license or permit, whose conduct or reputation is such that his presence may, in the
6365 opinion of the Commission, reflect on the honesty and integrity of horse racing or interfere with the orderly
6366 conduct of horse racing.

6367 2. The Commission, its representatives, and employees shall visit, investigate, and have free access to the
6368 office, track, facilities, satellite facilities, or other places of business of any licensee or permit holder, and
6369 may compel the production of any of the books, documents, records, or memoranda of any licensee or permit
6370 holder for the purpose of satisfying itself that this chapter and its regulations are strictly complied with. In
6371 addition, the Commission may require any person granted a permit by the Commissioner and shall require
6372 any person licensed by the Commissioner, the recognized majority horsemen's group, and the nonprofit
6373 industry stakeholder organization recognized by the Commission under this chapter to produce an annual
6374 balance sheet and operating statement prepared by a certified public accountant approved by the
6375 Commission. The Commission may require the production of any contract to which such person is or may be
6376 a party.

6377 3. The Board shall promulgate regulations and conditions under which horse racing, historical horse
6378 racing, and simulcast horse racing with pari-mutuel wagering shall be conducted in the Commonwealth, and
6379 all such other regulations it deems necessary and appropriate to effect the purposes of this chapter, including
6380 a requirement that licensees post, in a conspicuous place in every place where pari-mutuel wagering is
6381 conducted, (i) a sign that bears a toll-free telephone number for "Gamblers Anonymous" or other

6382 organization that provides assistance to compulsive gamblers and (ii) a sign that bears the toll-free number
6383 and website for the illegal gaming tip line established and administered by the Office of the Gaming
6384 Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for members of the public to
6385 report concerns about, or suspected instances of, illegal gaming activities. Such regulations shall include
6386 provisions for affirmative action to assure participation by minority persons in contracts granted by the
6387 Commission and its licensees. Nothing in this subdivision shall be deemed to preclude private local
6388 ownership or participation in any horse racetrack. Such regulations may include penalties for violations. The
6389 regulations shall be subject to the Administrative Process Act (§ 2.2-4000 et seq.).

6390 4. The Board shall promulgate regulations and conditions under which simulcast horse racing shall be
6391 conducted at a licensed horse racetrack or satellite facility in the Commonwealth and all such other
6392 regulations it deems necessary and appropriate to effect the purposes of this chapter. Such regulations shall
6393 include provisions that all simulcast horse racing shall comply with the Interstate Horse Racing Act of 1978
6394 (15 U.S.C. § 3001 et seq.) and shall require the holder of a license to schedule no more than 125 live racing
6395 days in the Commonwealth each calendar year; however, the Racing Commission shall have the authority to
6396 alter the required number of live racing days in the event of force majeure. Such regulations shall authorize
6397 up to 10 satellite facilities and restrict majority ownership of satellite facilities to an entity licensed by the
6398 Commissioner that is a significant infrastructure limited licensee, or if by August 1, 2015, there is no such
6399 licensee or a pending application for such license, then the nonprofit industry stakeholder organization
6400 recognized by the Commission may be granted licenses to own or operate satellite facilities. If, however, after
6401 the issuance of a license to own or operate a satellite facility to such nonprofit industry stakeholder
6402 organization, the Commissioner grants a license to a significant infrastructure limited licensee pursuant to §
6403 29.5-616, then such limited licensee may own or operate the remaining available satellite facilities
6404 authorized in accordance with this subdivision. In no event shall the Commission authorize any such entities
6405 to own or operate more than a combined total of 10 satellite facilities. Nothing in this subdivision shall be
6406 deemed to preclude private local ownership or participation in any satellite facility. Except as authorized
6407 pursuant to subdivision 5, wagering on simulcast horse racing shall take place only at a licensed horse
6408 racetrack or satellite facility. For purposes of this subdivision, "force majeure" means an event or events
6409 reasonably beyond the ability of the Racing Commission to anticipate and control. "Force majeure" includes
6410 acts of God, incidences of terrorism, war or riots, labor strikes or civil disturbances, floods, earthquakes,

6411 fire, explosions, epidemics, hurricanes, tornadoes, and governmental actions and restrictions.

6412 5. The Board shall promulgate regulations and conditions regulating and controlling advance deposit
6413 account wagering. Such regulations shall include (i) standards, qualifications, and procedures for the
6414 issuance of a license to an entity for the operation of pari-mutuel wagering in the Commonwealth, except that
6415 the Commissioner shall not issue a license to, and shall revoke the license of, an entity that, either directly or
6416 through an entity under common control with it, withholds the sale at fair market value to a licensee of
6417 simulcast horse racing signals that such entity or an entity under common control with it sells to other
6418 racetracks, satellite facilities, or advance deposit account wagering providers located in or outside of the
6419 Commonwealth; (ii) provisions regarding access to books, records, and memoranda, and submission to
6420 investigations and audits, as authorized by subdivisions 2 and 10; and (iii) provisions regarding the
6421 collection of all revenues due to the Commonwealth from the placing of such wagers. No pari-mutuel wager
6422 may be made on or with any computer owned or leased by the Commonwealth, or any of its subdivisions, or
6423 at any public elementary or secondary school or institution of higher education. The Commission also shall
6424 ensure that, except for this method of pari-mutuel wagering, all wagering on simulcast horse racing shall
6425 take place only at a licensed horse racetrack or satellite facility.

6426 Nothing in this subdivision shall be construed to limit the Commission's authority as set forth elsewhere in
6427 this section.

6428 6. The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel
6429 production of records or other documents and testimony of such witnesses whenever, in the judgment of the
6430 Board, it is necessary to do so for the effectual discharge of its duties.

6431 7. The Board may compel any person holding a license or permit to file with the Commission such data as
6432 shall appear to the Board to be necessary for the performance of its duties including financial statements and
6433 information relative to stockholders and all others with any pecuniary interest in such person. It may
6434 prescribe the manner in which books and records of such persons shall be kept.

6435 8. The Commission shall report annually on or before March 1 to the Governor and the General
6436 Assembly, which report shall include a financial statement of the operation of the Commission.

6437 9. The Commission may order such audits, in addition to those required by § 29.5-610, as it deems
6438 necessary and desirable.

6439 10. The Commission, shall upon the receipt of a complaint of an alleged criminal violation of this chapter,

6440 immediately report the complaint to the Attorney General and the Office of the Gaming Enforcement
6441 Coordinator at the Department of State Police pursuant to § 52-54 for appropriate action.

6442 11. The Commission shall provide for the withholding of the applicable amount of state and federal
6443 income tax of persons claiming a prize or pay-off for a winning wager and shall establish the thresholds for
6444 such withholdings.

6445 12. The Commission, its representatives, and employees may, within the enclosure, stable, or other facility
6446 related to the conduct of horse racing, and during regular or usual business hours, subject any (i) permit
6447 holder to personal inspections, including alcohol and drug testing for illegal drugs, inspections of personal
6448 property, and inspections of other property or premises under the control of such permit holder and (ii) horse
6449 eligible to race at a race meeting licensed by the Commission to testing for substances foreign to the natural
6450 horse within the racetrack enclosure or other place where such horse is kept. Any item, document, or record
6451 indicative of a violation of any provision of this chapter or Board regulations may be seized as evidence of
6452 such violation. All permit holders consent to the searches and seizures authorized by this subdivision,
6453 including breath, blood, and urine sampling for alcohol and illegal drugs, by accepting the permit issued by
6454 the Commissioner. The Commissioner may revoke or suspend the permit of any person who fails or refuses to
6455 comply with this subdivision or any rules of the Commission. Board regulations in effect on July 1, 1998,
6456 shall continue in full force and effect until modified by the Board in accordance with law.

6457 13. The Commission shall require the existence of a contract between each licensee and the recognized
6458 majority horsemen's group for that licensee. Such contract shall be subject to the approval of the Board,
6459 which shall have the power to approve or disapprove any of its items, including the provisions regarding
6460 purses and prizes. Such contracts shall provide that on pools generated by wagering on simulcast horse
6461 racing from outside the Commonwealth, (i) for the first \$75 million of the total pari-mutuel handle for each
6462 breed, the licensee shall deposit funds at the minimum rate of five percent in the horsemen's purse account;
6463 (ii) for any amount in excess of \$75 million but less than \$150 million of the total pari-mutuel handle for each
6464 breed, the licensee shall deposit funds at the minimum rate of six percent in the horsemen's purse account;
6465 and (iii) for amounts in excess of \$150 million for each breed, the licensee shall deposit funds at the minimum
6466 rate of seven percent in the horsemen's purse account. Such deposits shall be made in the horsemen's purse
6467 accounts of the breed that generated the pools and such deposits shall be made within five days from the date
6468 on which the licensee receives wagers. In the absence of the required contract between the licensee and the

6469 recognized majority horsemen's group, the Board may permit wagering to proceed on simulcast horse racing
6470 from outside of the Commonwealth, provided that the licensee deposits into the Horse Racing Operations
6471 Fund created pursuant to § 29.5-606 an amount equal to the minimum percentage of the total pari-mutuel
6472 handles as required in clauses (i), (ii), and (iii) or such lesser amount as the Board may approve. The
6473 deposits shall be made within five days from the date on which the licensee receives wagers. Once a contract
6474 between the licensee and the recognized majority horsemen's group is executed and approved by the Board,
6475 the Commission shall transfer these funds to the licensee and the horsemen's purse accounts.

6476 14. Notwithstanding the provisions of § 29.5-632, the Commissioner may grant provisional limited
6477 licenses or provisional unlimited licenses to own or operate racetracks or satellite facilities to an applicant
6478 prior to the applicant securing the approval through the local referendum required by § 29.5-632. The
6479 provisional licenses issued by the Commissioner shall only become effective upon the approval of the
6480 racetrack or satellite wagering facilities in a referendum conducted pursuant to § 29.5-632 in the jurisdiction
6481 in which the racetrack or satellite wagering facility is to be located.

6482 15. The Board shall promulgate regulations requiring, for each calendar year, any significant
6483 infrastructure limited licensee that offers pari-mutuel wagering on historical horse racing to hold at least one
6484 live Thoroughbred horse racing day, consisting of not less than eight races per day, for every 100 historical
6485 horse racing terminals installed at its significant infrastructure facility together with any satellite facility
6486 owned, operated, controlled, managed, or otherwise directly or indirectly affiliated with such licensee. The
6487 regulations shall require any such significant infrastructure limited licensee that holds more than one live
6488 Thoroughbred horse racing day in accordance with the provisions of this subdivision to hold at least one of
6489 those racing days on a weekend. The number of historical horse racing terminals installed at a significant
6490 infrastructure facility shall be calculated as of December 31 of the calendar year in question; however, only
6491 historical horse racing terminals that are fully operational shall be included in such calculation.

6492 § 29.5-605. Staff; stewards.

6493 A. The Commission shall appoint such employees as it deems essential to perform its duties under this
6494 chapter, who shall possess such authority and perform such duties as the Commission shall prescribe or
6495 delegate to them. Such employees may include stewards, chemists, veterinarians, inspectors, accountants,
6496 guards, and such other employees deemed by the Commission to be necessary for the supervision and the
6497 proper conduct of the highest standard of horse racing. Such employees shall be compensated as provided by

6498 the Commission.

6499 B. The stewards appointed by the Executive Secretary in accordance with § 29.5-105 shall act as racing
6500 officials to oversee the conduct of (i) horse racing at licensed racetracks and (ii) simulcast horse racing at
6501 satellite facilities. The stewards shall have the authority to interpret and enforce the Board's regulations and
6502 to decide all questions of horse racing and simulcast horse racing not specifically covered by the regulations
6503 of the Board. Nothing in this subsection shall limit the authority of the Commission to carry out the
6504 provisions of this chapter and to exercise control of horse racing as set forth in this chapter, including the
6505 power to review all decisions and rulings of the stewards.

6506 **§ 29.5-606. Horse Racing Operations Fund.**

6507 There is hereby created in the state treasury a special nonreverting fund to be known as the Horse Racing
6508 Operations Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the
6509 Comptroller. All moneys and revenues received by the Virginia Gaming Commission pursuant to the
6510 provisions of this chapter shall be paid into the state treasury and credited to the Fund. Interest earned on
6511 moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund,
6512 including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain
6513 in the Fund. Moneys in the Fund shall be used solely for the operation and administration of this chapter by
6514 the Virginia Gaming Commission. Expenditures and disbursements from the Fund shall be made by the State
6515 Treasurer on warrants issued by the Comptroller upon written request signed by the Commissioner.

6516 **§ 29.5-607. Fingerprints and background investigations; investigations from other states.**

6517 A. The Commission shall fingerprint and require a background investigation, including a criminal history
6518 record information check, conducted by a representative of a law-enforcement agency of the Commonwealth
6519 or federal government of the following persons: (i) every person licensed to hold race meetings within the
6520 Commonwealth; (ii) every person who is an officer, director, or principal stockholder of a corporation that
6521 holds such a license, and every employee of the holder of any such license whose duties relate to the horse
6522 racing business in the Commonwealth; (iii) all security personnel of any license holder; (iv) members and
6523 employees of the Virginia Gaming Commission; (v) all permit holders, owners, trainers, jockeys, apprentices,
6524 stable employees, managers, agents, blacksmiths, veterinarians, and employees of any licensee or permit
6525 holder; and (vi) any person who actively participates in the horse racing activities of any licensee or permit
6526 holder.

6527 B. Notwithstanding the provisions of subsection A, the Board may (i) by regulation, establish a procedure
6528 to recognize a license or permit issued by another state in which horse racing is authorized when the Board,
6529 in its discretion, determines that (a) the laws or requirements of the licensing authority for such state
6530 governing fingerprinting and background investigations are substantially the same as required under this
6531 chapter and Board regulations and (b) the applicant has not been convicted of an offense as provided in
6532 subsection C of § 29.5-630 and (ii) waive the requirements for fingerprinting and background investigations
6533 for permit holders participating in (a) horse racing in nonsecure areas or (b) nonracing activities.

6534 **§ 29.5-608. Hearing and appeal.**

6535 Any person aggrieved by (i) a refusal of the Commissioner to issue any license or permit, (ii) the
6536 suspension or revocation of a license or permit, (iii) the imposition of a fine, or (iv) any other action of the
6537 Commission or Board pursuant to this chapter, may seek review of such action in accordance with Article 5
6538 (§ 2.2-4025 et seq.) of the Administrative Process Act in the Circuit Court of the City of Richmond, and any
6539 further appeals shall also be in accordance with such article.

6540 **§ 29.5-609. Injunction.**

6541 Whenever it appears to the Commission that any person has violated or may violate any provision of this
6542 chapter, any Board regulation, or final decision of the Commission, it may apply to the appropriate circuit
6543 court for an injunction against such person. The order granting or refusing such injunction shall be subject
6544 to appeal as in other cases in equity.

6545 **§ 29.5-610. Audit required.**

6546 A regular post-audit shall be conducted of all accounts and transactions of the Commission. An audit of a
6547 fiscal and compliance nature of the accounts and transactions of the Commission shall be conducted by the
6548 Auditor of Public Accounts as determined necessary by the Auditor of Public Accounts. The cost of the audit
6549 and post-audit examinations shall be paid by the Commission.

6550 **§ 29.5-611. Virginia Breeders Fund.**

6551 There is hereby created within the State Treasury the Virginia Breeders Fund, referred to in this section
6552 as "the Fund," which Fund, together with the interest thereon, shall be administered in whole or in part by
6553 the Commission or by an entity designated by the Commission. The cost of administering and promoting the
6554 Fund shall be deducted from the Fund, and the balance shall be disbursed by the Commission or designated
6555 entity to the breeders of Virginia-bred horses that finish first, second, or third in races at race meetings

6556 designated by the Commission, to the owners of Virginia sires of Virginia-bred horses that finish first,
6557 second, or third in races at race meetings designated by the Commission, to the owners of Virginia-bred
6558 horses that win or earn purse money in nonrestricted races at racetracks in Virginia licensed by the
6559 Commission, to the owners of Virginia-bred horses that win races at race meetings designated by the
6560 Commission, and for purses for races restricted to Virginia-bred or Virginia-sired horses or both at race
6561 meetings designated by the Commission. To assist the Commission in establishing this awards and incentive
6562 program to foster the industry of breeding racehorses in Virginia, the Board shall appoint an advisory
6563 committee composed of two members from each of the registered breed associations representing each breed
6564 of horse participating in the Fund program, one member representing the owners and operators of
6565 racetracks, and one member representing all of the meets sanctioned by the National Steeplechase
6566 Association.

6567 Article 2.

6568 Live Horseracing Compact.

6569 § 29.5-612. Live Horseracing Compact; form of compact.

6570 The Live Horseracing Compact is enacted into law and entered into with all other jurisdictions legally
6571 joining therein in the form substantially as follows:

6572 ARTICLE I. Purposes.

6573 § 1. Purposes.

6574 The purposes of this compact are to:

6575 1. Establish uniform requirements among the party states for the licensing of participants in live horse
6576 racing with pari-mutuel wagering, and ensure that all such participants who are licensed pursuant to this
6577 compact meet a uniform minimum standard of honesty and integrity.

6578 2. Facilitate the growth of the horse racing industry in each party state and nationwide by simplifying the
6579 process for licensing participants in live racing, and reduce the duplicative and costly process of separate
6580 licensing by the regulatory agency in each state that conducts live horse racing with pari-mutuel wagering.

6581 3. Authorize the Virginia Gaming Commission to participate in this compact.

6582 4. Provide for participation in this compact by officials of the party states, and permit those officials,
6583 through the compact committee established by this compact, to enter into contracts with governmental
6584 agencies and nongovernmental persons to carry out the purposes of this compact.

6585 5. Establish the compact committee created by this compact as an interstate governmental entity duly
6586 authorized to request and receive criminal history record information from the Federal Bureau of
6587 Investigation and other state and local law-enforcement agencies.

6588 ARTICLE II. Definitions.

6589 § 2. Definitions.

6590 "Compact committee" means the organization of officials from the party states that is authorized and
6591 empowered by this compact to carry out the purposes of this compact.

6592 "Official" means the appointed, elected, designated, or otherwise duly selected representative of a racing
6593 commission or the equivalent thereof in a party state who represents that party state as a member of the
6594 compact committee.

6595 "Participants in live racing" means participants in live horse racing with pari-mutuel wagering in the
6596 party states.

6597 "Party state" means each state that has enacted this compact.

6598 "State" means each of the several states of the United States, the District of Columbia, the Commonwealth
6599 of Puerto Rico, and each territory or possession of the United States.

6600 ARTICLE III. Entry into Force, Eligible Parties, and Withdrawal.

6601 § 3. Entry into force.

6602 This compact shall come into force when enacted by any four states. Thereafter, this compact shall
6603 become effective as to any other state upon (i) that state's enactment of this compact and (ii) the affirmative
6604 vote of a majority of the officials on the compact committee as provided in § 8.

6605 § 4. States eligible to join compact.

6606 Any state that has adopted or authorized horse racing with pari-mutuel wagering shall be eligible to
6607 become party to this compact.

6608 § 5. Withdrawal from compact and impact thereof on force and effect of compact.

6609 Any party state may withdraw from this compact by enacting a statute repealing this compact, but no such
6610 withdrawal shall become effective until the head of the executive branch of the withdrawing state has given
6611 notice in writing of such withdrawal to the head of the executive branch of all other party states. If as a result
6612 of withdrawals participation in this compact decreases to less than three party states, this compact no longer
6613 shall be in force and effect unless and until there are at least three or more party states again participating in

6614 this compact.

6615 ARTICLE IV. Compact Committee.

6616 § 6. Compact committee established.

6617 There is hereby created an interstate governmental entity to be known as the "compact committee," which
6618 shall be composed of one official from the racing commission or its equivalent in each party state who shall
6619 be appointed, serve, and be subject to removal in accordance with the laws of the party state he represents.
6620 Pursuant to the laws of his party state, each official shall have the assistance of his state's racing commission
6621 or the equivalent thereof in considering issues related to licensing of participants in live racing and in
6622 fulfilling his responsibilities as the representative from his state to the compact committee. If an official is
6623 unable to perform any duty in connection with the powers and duties of the compact committee, the racing
6624 commission or equivalent thereof from his state shall designate an alternate who shall serve in his place and
6625 represent the party state as its official on the compact committee until that racing commission or equivalent
6626 thereof determines that the original representative official is able once again to perform his duties as that
6627 party state's representative official on the compact committee. The designation of an alternate shall be
6628 communicated by the affected state's racing commission or equivalent thereof to the compact committee as
6629 the committee's bylaws may provide.

6630 § 7. Powers and duties of compact committee.

6631 In order to carry out the purposes of this compact, the compact committee is hereby granted the power
6632 and duty to:

6633 1. Determine which categories of participants in live racing, including but not limited to owners, trainers,
6634 jockeys, grooms, mutuel clerks, racing officials, veterinarians, and farriers, and which categories of
6635 equivalent participants in live racing with pari-mutuel wagering authorized in two or more of the party
6636 states, should be licensed by the committee, and establish the requirements for the initial licensure of
6637 applicants in each such category, the term of the license for each category, and the requirements for renewal
6638 of licenses in each category, provided, however, that with regard to requests for criminal records on the
6639 issuance or renewal of a license, the compact committee shall determine for each category of participants in
6640 live racing which licensure requirements for that category are, in its judgment, the most restrictive licensure
6641 requirements of any party state for that category and shall adopt licensure requirements for that category
6642 that are, in its judgment, comparable to those most restrictive requirements.

6643 2. Investigate applicants for a license from the compact committee and, as permitted by federal and state
6644 law, gather information on such applicants, including criminal history record information from the Federal
6645 Bureau of Investigation and relevant state and local law-enforcement agencies, and, where appropriate, from
6646 the Royal Canadian Mounted Police and law-enforcement agencies of other countries, necessary to
6647 determine whether a license should be issued under the licensure requirements established by the committee
6648 as provided in subdivision 1. Only officials on, and employees of, the compact committee may receive and
6649 review such criminal history record information, and those officials and employees may use that information
6650 only for the purposes of this compact. No such official or employee may disclose or disseminate such
6651 information to any person or entity other than another official or employee of the compact committee. The
6652 fingerprints of each applicant for a license from the compact committee shall be taken by the compact
6653 committee, its employees, or its designee and, pursuant to Public Law 92-544 or Public Law 100-413, shall
6654 be forwarded to a state identification bureau, or an association of state officials regulating pari-mutuel
6655 wagering designated by the Attorney General of the United States, for submission to the Federal Bureau of
6656 Investigation for a criminal history records check. Such fingerprints may be submitted on a fingerprint card
6657 or by electronic or other means authorized by the Federal Bureau of Investigation or other receiving
6658 law-enforcement agency.

6659 3. Issue licenses to, and renew the licenses of, participants in live racing listed in subdivision 1 who are
6660 found by the committee to have met the licensure and renewal requirements established by the committee.
6661 The compact committee shall not have the power or authority to deny a license. If it determines that an
6662 applicant will not be eligible for the issuance or renewal of a compact committee license, the compact
6663 committee shall notify the applicant that it will not be able to process his application further. Such
6664 notification does not constitute and shall not be considered to be the denial of a license. Any such applicant
6665 shall have the right to present additional evidence to, and to be heard by, the compact committee, but the
6666 final decision on issuance or renewal of the license shall be made by the compact committee using the
6667 requirements established pursuant to subdivision 1.

6668 4. Enter into contracts or agreements with governmental agencies and with nongovernmental persons to
6669 provide personal services for its activities and such other services as may be necessary to effectuate the
6670 purposes of this compact.

6671 5. Create, appoint, and abolish those offices, employments, and positions, including an executive director,

6672 as it deems necessary for the purposes of this compact, prescribe their powers, duties, and qualifications,
6673 hire persons to fill those offices, employments, and positions, and provide for the removal, term, tenure,
6674 compensation, fringe benefits, retirement benefits, and other conditions of employment of its officers,
6675 employees, and other positions.

6676 6. Borrow, accept, or contract for the services of personnel from any state, the United States, or any other
6677 governmental agency, or from any person, firm, association, corporation, or other entity.

6678 7. Acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or in other
6679 similar manner, in furtherance of the purposes of this compact.

6680 8. Charge a fee to each applicant for an initial license or renewal of a license.

6681 9. Receive other funds through gifts, grants, and appropriations.

6682 § 8. Voting requirements.

6683 A. Each official shall be entitled to one vote on the compact committee.

6684 B. All action taken by the compact committee with regard to the addition of party states as provided in §
6685 3, the licensure of participants in live racing, and the receipt and disbursement of funds shall require a
6686 majority vote of the total number of officials, or their alternates, on the committee. All other action by the
6687 compact committee shall require a majority vote of those officials, or their alternates, present and voting.

6688 C. No action of the compact committee may be taken unless a quorum is present. A majority of the
6689 officials, or their alternates, on the compact committee shall constitute a quorum.

6690 § 9. Administration and management.

6691 A. The compact committee shall elect annually from among its members a chairman, a vice-chairman,
6692 and a secretary/treasurer.

6693 B. The compact committee shall adopt bylaws for the conduct of its business by a two-thirds vote of the
6694 total number of officials, or their alternates, on the committee at that time and shall have the power by the
6695 same vote to amend and rescind such bylaws. The committee shall publish its bylaws in convenient form and
6696 shall file a copy thereof and a copy of any amendments thereto with the secretary of state or equivalent
6697 agency of each of the party states.

6698 C. The compact committee may delegate the day-to-day management and administration of its duties and
6699 responsibilities to an executive director and his support staff.

6700 D. Employees of the compact committee shall be considered governmental employees.

6701 § 10. Immunity from liability for performance of official responsibilities and duties.

6702 No official of a party state or employee of the compact committee shall be held personally liable for any
6703 good faith act or omission that occurs during the performance and within the scope of his responsibilities and
6704 duties under this compact.

6705 ARTICLE V. Rights and Responsibilities of Each Party State.

6706 § 11. Rights and responsibilities of each party state.

6707 A. By enacting this compact, each party state:

6708 1. Agrees (i) to accept the decisions of the compact committee regarding the issuance of compact
6709 committee licenses to participants in live racing pursuant to the committee's licensure requirements and (ii)
6710 to reimburse or otherwise pay the expenses of its official representative on the compact committee or his
6711 alternate.

6712 2. Agrees not to treat a notification to an applicant by the compact committee under subdivision 3 of § 7
6713 that the compact committee will not be able to process his application further as the denial of a license, or to
6714 penalize such an applicant in any other way based solely on such a decision by the compact committee.

6715 3. Reserves the right (i) to charge a fee for the use of a compact committee license in that state; (ii) to
6716 apply its own standards in determining whether, on the facts of a particular case, a compact committee
6717 license should be suspended or revoked; (iii) to apply its own standards in determining licensure eligibility,
6718 under the laws of that party state, for categories of participants in live racing that the compact committee
6719 determines not to license and for individual participants in live racing who do not meet the licensure
6720 requirements of the compact committee; and (iv) to establish its own licensure standards for the licensure of
6721 nonracing employees at horse racetracks and employees at separate satellite wagering facilities. Any party
6722 state that suspends or revokes a compact committee license shall, through its racing commission or the
6723 equivalent thereof or otherwise, promptly notify the compact committee of that suspension or revocation.

6724 B. No party state shall be held liable for the debts or other financial obligations incurred by the compact
6725 committee.

6726 ARTICLE VI. Construction and Severability.

6727 § 12. Construction and severability.

6728 This compact shall be liberally construed so as to effectuate its purposes. The provisions of this compact
6729 shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be

6730 contrary to the Constitution of the United States or of any party state, or the applicability of this compact to
6731 any government, agency, person, or circumstance is held invalid, the validity of the remainder of this
6732 compact and the applicability thereof to any government, agency, person, or circumstance shall not be
6733 affected thereby. If all or some portion of this compact is held to be contrary to the constitution of any party
6734 state, the compact shall remain in full force and effect as to the remaining party states and in full force and
6735 effect as to the state affected as to all severable matters.

6736 **§ 29.5-613. Compact Committee members.**

6737 The Governor shall appoint one official to represent the Commonwealth on the Compact Committee for a
6738 term of four years. No official shall serve more than three consecutive terms. A vacancy shall be filled by the
6739 Governor for the unexpired term.

6740 **§ 29.5-614. Cooperation of departments, agencies, and officers of the Commonwealth.**

6741 All departments, agencies, and officers of the Commonwealth and its political subdivisions are hereby
6742 authorized to cooperate with the Compact Committee in furtherance of any of its activities pursuant to the
6743 Compact.

6744 Article 3.

6745 Licenses and Permits.

6746 **§ 29.5-615. Owner's and operator's license required.**

6747 A. No person shall construct, establish, or own a satellite facility where pari-mutuel wagering is
6748 permitted unless he has obtained an owner's license issued by the Commissioner in accordance with the
6749 provisions of this chapter.

6750 B. No person shall operate pari-mutuel wagering with his knowledge or acquiescence unless he has
6751 obtained an operator's license issued by the Commissioner in accordance with the provisions of this chapter.

6752 C. No license issued under the provisions of this chapter shall be transferable.

6753 **§ 29.5-616. Limited licenses; transfer of meet; taxation; authority to issue; limitations.**

6754 A. Notwithstanding the provisions of § 29.5-615 or 29.5-618 but subject to such regulations and criteria
6755 as it may prescribe, the Commission is authorized to issue limited licenses, provided such licenses shall
6756 permit any holder to conduct a race meeting or meetings for a period not to exceed 14 days in any calendar
6757 year, or in the case of a significant infrastructure limited licensee, 75 days in any calendar year.

6758 B. The Commission may at any time, in its discretion, authorize any organization or association licensed

6759 under this section to transfer its race meeting or meetings from its own track or place for holding races to the
6760 track or place for holding races of any other organization or association licensed under this chapter upon the
6761 payment of any and all appropriate license fees. No such authority to transfer shall be granted without the
6762 express consent of the organization or association owning or leasing the track to which such transfer is
6763 made.

6764 C. For any such meeting the licensee shall retain and pay from the pool the tax as provided in Article 5 (§
6765 29.5-633 et seq.).

6766 **§ 29.5-617. Application for owner's license; penalty.**

6767 A. Any person desiring to construct or own a satellite facility where pari-mutuel wagering is permitted
6768 shall file with the Commission an application for an owner's license. Such application shall be filed at the
6769 time and place, and in such form and containing such information, as prescribed by the Board with the
6770 following:

6771 1. The name and address of such person; if a corporation, the state of its incorporation, and the full name
6772 and address of each officer and director thereof, and if a foreign corporation, whether it is qualified to do
6773 business in the Commonwealth; if a partnership or joint venture, the name and address of each officer
6774 thereof;

6775 2. The name and address of each stockholder or member of such corporation, or each partner of such
6776 partnership or joint venture, and of each person who has contracted for a pecuniary interest in the applicant
6777 where pari-mutuel wagering will be conducted, whether such interest is an ownership or a security interest,
6778 and the nature and value of such interest, and the name and address of each person who has agreed to lend
6779 money to the applicant;

6780 3. Such information as the Board deems appropriate regarding the character, background, and
6781 responsibility of the applicant and the members, partners, stockholders, officers, and directors of the
6782 applicant;

6783 4. The location and description of the place where such person proposes to hold such wagering, including
6784 the name of any county, city, or town in which any property of such satellite facility is or will be located. The
6785 Board shall require such information about the location of such satellite facility as it deems necessary and
6786 appropriate to determine whether it complies with the minimum standards provided in this chapter, and
6787 whether the conduct of pari-mutuel wagering at such location would be in the best interests of the people of

6788 the Commonwealth;

6789 5. Such information relating to the financial responsibility of the applicant as the Board deems
6790 appropriate;

6791 6. If any of the facilities necessary for the conduct of pari-mutuel wagering are to be leased, the terms of
6792 such lease; and

6793 7. Any other information that the Board, in its discretion, deems appropriate.

6794 B. Any application filed hereunder shall be verified by the oath or affirmation of an officer of the
6795 applicant and accompanied by a nonrefundable application fee as prescribed by the Board.

6796 C. Any person who knowingly makes a false statement to the Board for the purposes of obtaining a license
6797 under this chapter is guilty of a Class 4 felony.

6798 **§ 29.5-618. Issuance of owner's license.**

6799 A. The Commissioner shall consider all applications for an owner's license and may grant a valid owner's
6800 license to applicants who meet the criteria set forth in this chapter and established by the Board. The
6801 Commissioner shall deny a license to any applicant unless he finds that the applicant's facilities are or will
6802 be appropriate for the finest quality of racing.

6803 B. The Commissioner shall deny a license to an applicant if he finds that (i) for any reason, the issuance
6804 of a license to the applicant would not be in the interest of the people of the Commonwealth or the horse
6805 racing industry in the Commonwealth or would reflect adversely on the honesty and integrity of the horse
6806 racing industry in the Commonwealth or (ii) that the applicant, or any officer, partner, principal stockholder,
6807 or director of the applicant:

6808 1. Has knowingly made a false statement of material fact or has deliberately failed to disclose any
6809 information requested;

6810 2. Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection
6811 with any horse racing in this or any other state, or has been convicted of a felony;

6812 3. Has at any time knowingly failed to comply with the provisions of this chapter or of any regulations of
6813 the Board;

6814 4. Has had a license or permit to hold or conduct a horse race meeting denied for just cause, suspended,
6815 or revoked in any other state or country;

6816 5. Has legally defaulted in the payment of any obligation or debt due to the Commonwealth;

6817 6. Has constructed or caused to be constructed a racetrack or satellite facility for which a license was
6818 required under § 29.5-617 without obtaining such license, or has deviated substantially, without the
6819 permission of the Commissioner, from the plans and specifications submitted to the Commission; or

6820 7. Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of
6821 the Commonwealth.

6822 C. The Commissioner shall deny a license to any applicant unless he finds:

6823 1. That, if the corporation is a stock corporation, that such stock is fully paid and nonassessable, has been
6824 subscribed and paid for only in cash or property to the exclusion of past services, and, if the corporation is a
6825 nonstock corporation, that there are at least 20 members;

6826 2. That all principal stockholders or members have submitted to the jurisdiction of the courts of the
6827 Commonwealth, and all nonresident principal stockholders or members have designated the Executive
6828 Secretary as their agent for receipt of process;

6829 3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of
6830 the stockholders or members, purchase at fair market value the entire membership interest of any stockholder
6831 or require the resignation of any member who is or becomes unqualified for such position under § 29.5-620;
6832 and

6833 4. That the applicant meets the criteria established by the Board for the granting of an owner's license.

6834 **§ 29.5-619. Licensing of owners or operators of certain pari-mutuel facilities.**

6835 A. Notwithstanding the provisions of § 29.5-632, the Commissioner may grant a license, for a duration to
6836 be determined by the Board, to the owner or operator of a facility for the purpose of conducting pari-mutuel
6837 wagering on (i) Thoroughbred and standard bred race meetings and (ii) simulcast horse racing at that
6838 facility in conjunction with the race meetings for a period not to exceed 14 days in any calendar year,
6839 provided that, prior to making application for such license, (a) the facility has been approved by the Board
6840 and (b) the owner or operator of such facility has been granted tax-exempt status under § 501(c)(3) or (4) of
6841 the Internal Revenue Code.

6842 B. In deciding whether to grant any license pursuant to this section, the Commissioner shall consider (i)
6843 the results of, circumstances surrounding, and issues involved in any referendum conducted under the
6844 provisions of § 29.5-632 and (ii) whether the Commissioner had previously granted a license to such facility,
6845 owner, or operator.

6846 *C. In no event shall the Commissioner issue more than 12 licenses in a calendar year pursuant to this*
6847 *section.*

6848 **§ 29.5-620. Refusal of owner's license.**

6849 *No owner's license or renewal thereof shall be granted to any corporation if the Commissioner finds that*
6850 *any principal stockholder of such stock corporation, or any member of such nonstock corporation:*

6851 *1. Is or has been guilty of any illegal, corrupt, or fraudulent act, conduct, or practice in connection with*
6852 *horse racing in this or any other state, or has knowingly failed to comply with the provisions of this chapter*
6853 *or Board regulations:*

6854 *2. Has had a license or permit to hold or conduct a race meeting denied for cause, suspended, or revoked*
6855 *in any other state or country; or*

6856 *3. Has at any time during the previous five years knowingly failed to comply with the provisions of this*
6857 *chapter or any Board regulations.*

6858 **§ 29.5-621. Duration, form of owner's license; bond.**

6859 *A license issued under § 29.5-618 shall be for the period set by the Board, not to be less than 20 years,*
6860 *but shall be reviewed annually. The Board shall designate on the license the duration of such license, the*
6861 *location of such satellite facility or proposed satellite facility and such other information as it deems proper.*
6862 *The Board shall establish criteria and procedures for license renewal.*

6863 *The Board shall require (i) a bond with surety or (ii) a letter of credit, acceptable to the Board, and in an*
6864 *amount determined by it, to be sufficient to cover any indebtedness incurred by the licensee to the*
6865 *Commonwealth.*

6866 **§ 29.5-622. Application for operator's license.**

6867 *A. Any person desiring to operate a satellite facility shall file with the Commission an application for an*
6868 *operator's license. Such application may be made in conjunction with an application for an owner's license, if*
6869 *appropriate, and shall be filed at the time and place, and in such form and containing such information, as*
6870 *prescribed by the Board, including all information prescribed for an owner's license under § 29.5-617.*

6871 *B. Any application filed pursuant to this section shall be verified by the oath or affirmation of an officer of*
6872 *the applicant and accompanied by a nonrefundable application fee as prescribed by the Board.*

6873 **§ 29.5-623. Issuance of operator's license.**

6874 *The Commissioner shall promptly consider any application for an operator's license and grant a valid*

6875 operator's license to applicants who meet the criteria set forth in this chapter and established by the Board.

6876 The Commissioner shall deny a license to any applicant, unless he finds:

6877 1. That such applicant is a corporation organized under Title 13.1 or comparable law of another state,

6878 and qualified to do business in the Commonwealth;

6879 2. That, if the corporation is a stock corporation, all principal stockholders have submitted to the

6880 jurisdiction of the courts of the Commonwealth and all nonresident principal stockholders have designated

6881 the Executive Secretary as their agent for process, and further, that an application shall also contain

6882 information as required by § 29.5-617;

6883 3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of

6884 the stockholders or members, purchase at fair market value the entire membership interest of any

6885 stockholder, or require the resignation of any member, who is or becomes unqualified for such position under

6886 § 29.5-620;

6887 4. That the applicant would be qualified for a license to own such satellite facility under the provisions of

6888 §§ 29.5-618 and 29.5-620;

6889 5. That the applicant has made provisions satisfactory to the Board for the detection and prosecution of

6890 any illegal, corrupt, or fraudulent act, practice, or conduct in connection with any race meeting or

6891 pari-mutuel wagering, that the applicant has made provision for membership in the Thoroughbred Racing

6892 Association or other equivalent applicable association, and that the applicant shall utilize the services of the

6893 Thoroughbred Racing Protective Bureau or any other protective agency acceptable to the Commission and

6894 with the approval of the Racing Commission; and

6895 6. That the applicant has met the criteria established by the Board for the granting of an operator's

6896 license.

6897 § 29.5-624. Duration, form of operator's license; bond.

6898 A license issued under § 29.5-623 shall be for a period of 20 years from the date of issuance, but shall be

6899 reviewed annually. The Board may, as it deems appropriate, change at the beginning of any year the dates on

6900 which the licensee is authorized to conduct pari-mutuel wagering. An applicant for renewal of a license may

6901 omit any information that in the opinion of the Commission is already available to it. The Board shall

6902 establish criteria and procedures for license renewal.

6903 Any license issued under § 29.5-623 shall designate on its face (i) the type or types of pari-mutuel

6904 wagering for which it is issued, (ii) the location of the satellite facility where such wagering is to be
6905 conducted, (iii) the period during which such license is in effect, and (iv) such other information as the Board
6906 deems proper.

6907 The Board shall require a bond with surety acceptable to it, and in an amount determined by it to be
6908 sufficient to cover any indebtedness incurred by such licensee during the days allotted for racing.

6909 **§ 29.5-625. Denial of license final.**

6910 The denial of an owner's or operator's license by the Commissioner shall be final unless appealed under §
6911 29.5-608.

6912 **§ 29.5-626. Suspension or revocation of license final.**

6913 A. After a hearing with 15 days' notice, the Commissioner may (i) suspend or revoke any license or (ii)
6914 fine the holder of such license a sum not to exceed \$100,000 in any case where he has reason to believe that
6915 any provision of this chapter, or any regulation or condition of the Board, has not been complied with or has
6916 been violated. The Commissioner may revoke a license if he finds that facts not known by him at the time he
6917 considered the application indicate that such license should not have been issued.

6918 B. The Commissioner shall revoke any license issued under § 29.5-623 for the operation of a satellite
6919 facility if the licensee, within one year of issuance of the satellite facility license, fails to conduct (i) live
6920 racing at a racetrack licensed pursuant to § 29.5-623 or (ii) the live racing days assigned to the licensee by
6921 the Racing Commission without the permission of the Racing Commission.

6922 C. The Commissioner may summarily suspend any license for a period of not more than 90 days pending
6923 a hearing and final determination by the Board if he determines that emergency action is required to protect
6924 the public health, safety, and welfare including revenues due the Commonwealth, localities, and the
6925 horsemen's purse account. The Board shall (i) schedule a hearing within 14 business days after the license is
6926 summarily suspended and (ii) notify the licensee not less than five business days before the hearing of the
6927 date, time, and place of the hearing.

6928 D. Deliberations of the Board pursuant to this section shall be conducted pursuant to the provisions of the
6929 Virginia Freedom of Information Act (§ 2.2-3700 et seq.). If any such license is suspended or revoked, the
6930 Commissioner shall state his reasons for doing so, which shall be entered of record. Such action shall be
6931 final unless appealed in accordance with § 29.5-608. Suspension or revocation of a license by the
6932 Commissioner for any violation shall not preclude criminal liability for such violation.

6933 § 29.5-627. Acquisition of interest in licensee.

6934 A. The Commission shall require any person desiring to become a partner, member, or principal
6935 stockholder of any licensee to apply to the Commission for such approval and may demand such information
6936 of the applicant as it finds necessary. The Commissioner shall consider such application forthwith and shall
6937 approve or deny the application within 60 days of receipt. The Commissioner shall approve an application
6938 that meets the criteria set forth in this chapter. The Commissioner shall deny an application if in his judgment
6939 the acquisition by the applicant would be detrimental to the public interest or to the honesty, integrity, and
6940 reputation of horse racing. The Commissioner shall approve an application to acquire actual control of a
6941 licensee only if he finds that the applicant meets the criteria set forth in subsection B.

6942 B. If an applicant proposes to acquire actual control of a licensee, such person shall, pursuant to
6943 subsection A, submit to the Commission (i) its proposal for the future operation of any existing or planned
6944 satellite facility owned or operated by the licensee, (ii) such additional information as it desires, and (iii)
6945 such information as may be required by the Board to assure the Commissioner that the licensee, under the
6946 actual control of such person, will have the experience, expertise, financial responsibility, and commitment to
6947 comply with (a) the provisions of this chapter, (b) Board regulations and orders, (c) the requirements for the
6948 continued operation of the licensee pursuant to the terms and conditions in effect on the date of the
6949 application of all licenses held by the licensee, (d) any existing contract with a recognized majority
6950 horseman's group, and (e) any proposal submitted to the Commission by such person. The provisions of this
6951 subsection shall apply regardless of whether the control acquired is direct or indirect or whether its
6952 acquisition is accomplished individually or in concert with others.

6953 C. Any such acquisition of control without prior approval of the Commissioner shall be voidable by the
6954 Commission and, in such instance, the Commissioner may revoke any license he has issued to such licensee,
6955 order compliance with this section, or take such other action as may be appropriate within his authority.

6956 § 29.5-628. Permit required; exception.

6957 A. No participant shall engage in any horse racing subject to the jurisdiction of the Commission or in the
6958 conduct of a race meeting or pari-mutuel wagering thereon, including as a horse owner, trainer, jockey,
6959 exercise rider, groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, concessionaire or
6960 employee thereof, track employee, or other position the Commission deems necessary to regulate to ensure
6961 the integrity of horse racing in Virginia, unless such person (i) possesses a permit therefor from the

6962 Commission and (ii) complies with the provisions of this chapter and all Board regulations. No permit issued
6963 under the provisions of this chapter shall be transferable.

6964 B. The Commissioner may waive the permit requirement for any person who possesses a valid permit or
6965 license to participate in the conduct of horse racing in another racing jurisdiction and participates in horse
6966 racing in Virginia on nonconsecutive racing days.

6967 C. Once a horse is entered to run in Virginia, all participants shall come under the jurisdiction of the
6968 Commission and its stewards and shall be subject to regulations of the Board and sanctions it or its stewards
6969 may impose.

6970 § 29.5-629. Application for permit.

6971 Any person desiring to obtain a permit as required by this chapter shall submit an application on a form,
6972 and accompanied by a fee, as prescribed by the Board and verified by the oath or affirmation of the
6973 applicant.

6974 § 29.5-630. Consideration of application.

6975 A. The Commissioner shall promptly consider any application for a permit and issue or deny such permit
6976 based on the information in the application and all other information before him, including any investigation
6977 he deems appropriate. If an application for a permit is approved, the Commissioner shall issue a permit,
6978 which shall contain such information as the Board deems appropriate. Such permit shall be valid for one
6979 year; however, the permit of a licensee's employee shall expire automatically when such permit holder leaves
6980 the employment of the licensee or at the end of one year, whichever occurs first. The licensee shall promptly
6981 notify the Commission when a permit holder leaves the employment of the licensee. The Board shall establish
6982 criteria and procedures for permit renewal.

6983 B. The Commissioner shall deny the application and refuse to issue the permit, which denial shall be final
6984 unless an appeal is taken under § 29.5-608, if he finds that the issuance of such permit to such applicant (i)
6985 would not be in the interests of the people of the Commonwealth or the horse racing industry of the
6986 Commonwealth, or would reflect on the honesty and integrity of the horse racing industry in the
6987 Commonwealth, or (ii) that the applicant:

6988 1. Has knowingly made a false statement of a material fact in the application, or has deliberately failed to
6989 disclose any information requested by the Commission;

6990 2. Is or has been found guilty of any corrupt or fraudulent practice or conduct in connection with horse

6991 racine in this or any other state:

6992 3. Has knowingly failed to comply with the provisions of this chapter or the regulations of the Board;

6993 4. Has had a permit to engage in activity related to horse racing denied for just cause, suspended, or

6994 revoked in any other state, and such denial, suspension, or revocation is still in effect; or

6995 5. Is unqualified to perform the duties required for the permit sought.

6996 C. The Commissioner shall deny the application and refuse to issue the permit if, within the five years

6997 immediately preceding the date of the application for the permit sought, the applicant has been convicted of a

6998 crime involving the unlawful conduct of wagering, fraudulent use of a credential, unlawful transmission of

6999 information, touting, bribery, or administration or possession of drugs or any felony considered by the

7000 Commission to be detrimental to horse racing in the Commonwealth; the denial shall be final unless an

7001 appeal is taken under § 29.5-608. Additionally, the Commissioner may deny the application and refuse to

7002 issue any permit if the applicant has been convicted of any such crime committed prior to the five years

7003 immediately preceding the date of his application.

7004 D. The Commissioner may refuse to issue the permit if for any reason he feels the granting of such permit

7005 is not consistent with the provisions of this chapter or his responsibilities hereunder.

7006 **§ 29.5-631. Suspension or revocation of permit; fine.**

7007 A. The Commissioner, acting by and through his stewards or at a Board meeting at which a quorum is

7008 present, may (i) suspend or revoke a permit issued under this chapter or fine the holder of such permit a sum

7009 not to exceed \$10,000 or (ii) suspend a permit issued by this chapter and fine the holder of such permit a sum

7010 not to exceed \$10,000 after a hearing for which proper notice has been given to the permittee, in any case

7011 where it determines by a preponderance of the evidence that any provision of this chapter, or any regulation

7012 or condition of the Board, has not been complied with or has been violated. The Commissioner may revoke

7013 such permit, after such hearing, if he finds that facts not known by him at the time he was considering the

7014 application indicate that such permit should not have been issued. Deliberations of the Commission under

7015 this section shall be conducted pursuant to the provisions of the Virginia Freedom of Information Act (§

7016 2.2-3700 et seq.). If any permit is suspended or revoked, the Commissioner shall state his reasons for doing

7017 so, which shall be entered of record. Such action shall be final unless an appeal is taken in accordance with §

7018 29.5-608. Suspension or revocation of a permit by the Commissioner for any violation shall not preclude

7019 criminal liability for such violation.

7020 B. The Commissioner, acting by and through his stewards, or at a Board meeting at which a quorum is
7021 present, may summarily suspend the permit of a person for a period of not more than 90 days pending a
7022 hearing and final determination by the Commissioner or his stewards, if the Commissioner or his stewards
7023 determine the protection of the integrity of horse racing requires emergency action. The Commissioner or his
7024 stewards shall (i) schedule a hearing within 14 business days after the permit is summarily suspended and (ii)
7025 notify the permit holder, not less than five business days before the hearing, of the date, time, and place of the
7026 hearing.

7027 Article 4.

7028 Local referendum.

7029 **§ 29.5-632. Local referendum required.**

7030 *The Commissioner shall not grant any initial license to construct, establish, operate, or own a racetrack*
7031 *or satellite facility until a referendum approving the question is held in each county, city, or town in which*
7032 *such racetrack or satellite facility is to be located, in the following manner:*

7033 *1. A petition, signed by five percent of the qualified voters of such county, city, or town shall be filed with*
7034 *the circuit court of such county, city, or town asking that a referendum be held on the question, "Shall*
7035 *pari-mutuel wagering be permitted at a licensed racetrack in (name of such county, city, or town) on live*
7036 *horse racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed*
7037 *racetrack on such days as may be approved by the Virginia Gaming Commission in accordance with Chapter*
7038 *6 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?" In addition, or in the alternative, such petition*
7039 *may ask that a referendum be held on the question, "Shall pari-mutuel wagering be permitted in*
7040 *_____ (the name of such county, city, or town) at satellite facilities in accordance with Chapter 6*
7041 *(§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?"*

7042 *2. Following the filing of such petition, the court shall, by order of record entered in accordance with §*
7043 *24.2-684.1, require the regular election officers of such county, city, or town to cause a special election to be*
7044 *held to take the sense of the qualified voters on the question. Such election shall be on a day designated by*
7045 *order of such court, but shall not be later than the next general election unless such general election is within*
7046 *60 days of the date of the entry of such order, nor shall it be held on a date designated as a primary election.*

7047 *3. The clerk of such court of record of such county, city, or town shall publish notice of such election in a*
7048 *newspaper of general circulation in such county, city, or town once a week for three consecutive weeks prior*

7049 *to such election.*

7050 *4. The regular election officers of such county or city shall open the polls at the various voting places in*
7051 *such county or city on the date specified in such order and conduct such election in the manner provided by*
7052 *law. The election shall be by ballot, which shall be prepared by the electoral board of the county, city, or*
7053 *town and on which shall be printed either or both of the following questions:*

7054 *"Shall pari-mutuel wagering be permitted at a licensed racetrack in _____ on live horse*
7055 *racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on*
7056 *such days as may be approved by the Virginia Gaming Commission in accordance with Chapter 6 (§*
7057 *29.5-600 et seq.) of Title 29.5 of the Code of Virginia?*

7058 *[] Yes*

7059 *[] No"*

7060 *"Shall pari-mutuel wagering be permitted in _____ at satellite facilities in accordance with*
7061 *Chapter 6 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?*

7062 *[] Yes*

7063 *[] No"*

7064 *In the blank shall be inserted the name of the county, city, or town in which such election is held. Any*
7065 *voter desiring to vote "Yes" shall mark a check mark () or a cross mark (x or +) or a line (-) in the square*
7066 *provided for such purpose immediately preceding the word "Yes," leaving the square immediately preceding*
7067 *the word "No" unmarked. Any voter desiring to vote "No" shall mark a check mark () or a cross mark (x or*
7068 *+) or a line (-) in the square provided for such purpose immediately preceding the word "No," leaving the*
7069 *square immediately preceding the word "Yes" unmarked.*

7070 *The ballots shall be counted, the returns made and canvassed as in other elections, and the results*
7071 *certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an*
7072 *order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to*
7073 *the Commission and to the governing body of such county, city, or town.*

7074 *No such referendum as described above shall be held more often than every three years in the same*
7075 *county, city, or town.*

7076 *A subsequent local referendum shall be required if a license has not been granted by the Commission*
7077 *within five years of the court order proclaiming the results of the election. "Town," for purposes of this*

7078 *section, means any town with a population of 5,000 or more.*

7079 Article 5.

7080 Taxation; Retainage; Distribution.

7081 § 29.5-633. Taxation and retainage generally.

7082 A. Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for
7083 license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 shall not include pari-mutuel
7084 wagering pools and license taxes authorized by this article.

7085 B. All payments by the licensee to the Commonwealth or any locality shall be made within five days from
7086 the date on which such wagers are received by the licensee. All payments by the licensee to the Virginia
7087 Breeders Fund shall be made to the Commission within five days from the date on which such wagers are
7088 received by the licensee. All payments by the licensee to the Virginia-Maryland Regional College of
7089 Veterinary Medicine, the Virginia Horse Center Foundation, the Virginia Horse Industry Board, and the
7090 Virginia Thoroughbred Association shall be made by the first day of each quarter of the calendar year. All
7091 payments made under this article shall be used in support of the policy of the Commonwealth to sustain and
7092 promote the growth of a native industry.

7093 C. If a satellite facility is located in more than one locality, any amount a licensee is required to pay
7094 under this article to the locality in which the satellite facility is located shall be prorated in equal shares
7095 among those localities.

7096 D. Any contractual agreement between a licensee and other entities concerning the distribution of the
7097 remaining portion of the retainage under subsections B through G of § 29.5-635 and subsections A and B of
7098 § 29.5-636 shall be subject to the approval of the Board.

7099 E. The recognized majority horsemen's group racing at a licensed race meeting may, subject to the
7100 approval of the Board, withdraw for administrative costs associated with serving the interests of the
7101 horsemen an amount not to exceed two percent of the amount in the horsemen's account.

7102 F. The legitimate breakage from each pari-mutuel pool for live, historical, and simulcast horse racing
7103 shall be distributed as follows:

7104 1. Seventy percent to be retained by the licensee to be used for capital improvements that are subject to
7105 approval of the Board; and

7106 2. Thirty percent to be deposited in the Racing Benevolence Fund, administered jointly by the licensee and

7107 the recognized majority horsemen's group racing at a licensed race meeting, to be disbursed with the
7108 approval of the Board for gambling addiction and substance abuse counseling, recreational, educational, or
7109 other related programs.

7110 **§ 29.5-634. Percentage retained; tax; live horse racing.**

7111 A. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the
7112 Commonwealth involving win, place, and show wagering, the licensee shall retain a percentage amount
7113 approved by the Board as jointly requested by a recognized majority horsemen's group and a licensee and
7114 the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as follows: 1.0 percent to
7115 the Commonwealth as a license tax and 0.25 percent to the locality in which the racetrack is located. The
7116 remainder of the retainage shall be paid as provided in subsection C, provided, however, that if the
7117 percentage amount approved by the Board is other than 18 percent, the amounts provided in subdivisions C
7118 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 18 percent.

7119 B. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing
7120 conducted within the Commonwealth involving win, place, and show wagering, the licensee shall retain a
7121 percentage amount approved by the Board as jointly requested by a recognized majority horsemen's group
7122 and a licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as
7123 follows: 0.75 percent to the Commonwealth as a license tax, 0.25 percent to the locality in which the satellite
7124 facility is located, and 0.25 percent to the locality in which the racetrack is located. The remainder of the
7125 retainage shall be paid as provided in subsection C, provided, however, that if the percentage amount
7126 approved by the Board is other than 18 percent, the amounts provided in subdivisions C 1, 2, and 3 shall be
7127 adjusted by the proportion that the approved percentage amount bears to 18 percent.

7128 C. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
7129 live horse racing conducted within the Commonwealth involving win, place, and show wagering, the licensee
7130 shall retain a percentage amount approved by the Board as jointly requested by a recognized majority
7131 horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:

7132 1. Eight percent as purses or prizes to the participants in such race meeting;

7133 2. Seven and one-half percent and all of the breakage and the proceeds of pari-mutuel tickets unredeemed
7134 180 days from the date on which the race was conducted, to the operator;

7135 3. One percent to the Virginia Breeders Fund;

- 7136 4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 7137 5. Five one-hundredths percent to the Virginia Horse Center Foundation;
- 7138 6. Five one-hundredths percent to the Virginia Horse Industry Board; and
- 7139 7. The remainder as appropriate under subsection A or B.
- 7140 D. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within
- 7141 the Commonwealth involving wagering other than win, place, and show wagering, the licensee shall retain a
- 7142 percentage amount approved by the Board as jointly requested by a recognized majority horsemen's group
- 7143 and a licensee and the legitimate breakage, out of which shall be paid 2.75 percent to be distributed as
- 7144 follows: 2.25 percent to the Commonwealth as a license tax, and 0.5 percent to the locality in which the
- 7145 racetrack is located. The remainder of the retainage shall be paid as provided in subsection F, provided,
- 7146 however, that if the percentage amount approved by the Board is other than 22 percent, the amounts
- 7147 provided in subdivisions F 1, 2, and 3 shall be adjusted by the proportion that the approved percentage
- 7148 amount bears to 22 percent.
- 7149 E. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing
- 7150 conducted within the Commonwealth involving wagering other than win, place, and show wagering, the
- 7151 licensee shall retain a percentage amount approved by the Board as jointly requested by a recognized
- 7152 majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 2.75
- 7153 percent to be distributed as follows: 1.75 percent to the Commonwealth as a license tax, 0.5 percent to the
- 7154 locality in which the satellite facility is located, and 0.5 percent to the locality in which the racetrack is
- 7155 located. The remainder of the retainage shall be paid as provided in subsection F, provided, however, that if
- 7156 the percentage amount approved by the Board is other than 22 percent, the amounts provided in subdivisions
- 7157 F 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 22 percent.
- 7158 F. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live
- 7159 horse racing conducted within the Commonwealth involving wagering other than win, place, and show
- 7160 wagering, the licensee shall retain a percentage amount approved by the Board as jointly requested by a
- 7161 recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:
- 7162 1. Nine percent as purses or prizes to the participants in such race meeting;
- 7163 2. Nine percent and the proceeds of the pari-mutuel tickets unredeemed 180 days from the date on which
- 7164 the race was conducted, to the operator;

- 7165 3. One percent to the Virginia Breeders Fund;
- 7166 4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 7167 5. Five one-hundredths percent to the Virginia Horse Center Foundation;
- 7168 6. Five one-hundredths percent to the Virginia Horse Industry Board; and
- 7169 7. The remainder as appropriate under subsection D or E.
- 7170 **§ 29.5-635. Percentage retained; tax; simulcast horse racing.**
- 7171 A. On pari-mutuel wagering generated by simulcast horse racing transmitted from jurisdictions outside
- 7172 the Commonwealth, the licensee may, with the approval of the Board, commingle pools with the racetrack
- 7173 where the transmission emanates or establish separate pools for wagering within the Commonwealth. All
- 7174 simulcast horse racing in this subsection must comply with the Interstate Horse Racing Act of 1978 (15
- 7175 U.S.C. § 3001 et seq.).
- 7176 B. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted
- 7177 from jurisdictions outside the Commonwealth involving win, place, and show wagering, the licensee shall
- 7178 retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the Commonwealth as a license
- 7179 tax and 0.5 percent to the Virginia locality in which the racetrack is located.
- 7180 C. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse
- 7181 racing transmitted from jurisdictions outside the Commonwealth involving win, place, and show wagering,
- 7182 the licensee shall retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the
- 7183 Commonwealth as a license tax, 0.25 percent to the locality in which the satellite facility is located, and 0.25
- 7184 percent to the Virginia locality in which the racetrack is located.
- 7185 D. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
- 7186 simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving win, place, and
- 7187 show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as follows:
- 7188 1. One percent of the pool to the Virginia Breeders Fund;
- 7189 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 7190 3. Five one-hundredths percent to the Virginia Horse Center Foundation;
- 7191 4. Five one-hundredths percent to the Virginia Horse Industry Board; and
- 7192 5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding
- 7193 in the Commonwealth.

7194 E. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted
7195 from jurisdictions outside the Commonwealth involving wagering other than win, place, and show wagering,
7196 the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75 percent to the
7197 Commonwealth as a license tax and 1.0 percent to the Virginia locality in which the racetrack is located.

7198 F. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse
7199 racing transmitted from jurisdictions outside the Commonwealth involving wagering other than win, place,
7200 and show wagering, the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75
7201 percent to the Commonwealth as a license tax, 0.5 percent to the locality in which the satellite facility is
7202 located, and 0.5 percent to the Virginia locality in which the racetrack is located.

7203 G. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
7204 simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving wagering other
7205 than win, place, and show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as
7206 follows:

7207 1. One percent of the pool to the Virginia Breeders Fund;

7208 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;

7209 3. Five one-hundredths percent to the Virginia Horse Center Foundation;

7210 4. Five one-hundredths percent to the Virginia Horse Industry Board; and

7211 5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding
7212 in the Commonwealth.

7213 **§ 29.5-636. Percentage retained; tax; historical horse racing.**

7214 A. On pari-mutuel pools generated by wagering on historical horse racing on the first 3,000 terminals
7215 authorized, the licensee shall retain 1.25 percent of such pool to be distributed as follows:

7216 1. a. If generated at a racetrack, 0.5 percent to the locality in which the racetrack is located; or

7217 b. If generated at a satellite facility, 0.25 percent to the locality in which the satellite facility is located
7218 and 0.25 percent to the Virginia locality in which the racetrack is located;

7219 2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.01
7220 percent;

7221 3. To the (i) Virginia Breeders Fund, (ii) Virginia-Maryland Regional College of Veterinary Medicine for
7222 its equine programs, (iii) Virginia Horse Center Foundation, and (iv) Virginia Horse Industry Board, 0.025

7223 percent each; and

7224 4. The remainder to the Commonwealth as a license tax.

7225 B. On pari-mutuel pools generated by wagering on historical horse racing on the 2,000 terminals

7226 authorized by the seventh enactment of Chapters 1197 and 1248 of the Acts of Assembly of 2020, the licensee

7227 shall retain 1.6 percent of such pool to be distributed as follows:

7228 1. a. If generated at a racetrack, 0.64 percent to the locality in which the racetrack is located; or

7229 b. If generated at a satellite facility, 0.32 percent to the locality in which the satellite facility is located

7230 and 0.32 percent to the Virginia locality in which the racetrack is located;

7231 2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.01

7232 percent;

7233 3. To the (i) Virginia Breeders Fund, (ii) Virginia-Maryland Regional College of Veterinary Medicine for

7234 its equine programs, (iii) Virginia Horse Center Foundation, and (iv) Virginia Horse Industry Board, 0.025

7235 percent each; and

7236 4. The remainder to the Commonwealth as a license tax.

7237 **§ 29.5-637. Advance deposit account wagering revenues; distribution.**

7238 A. Notwithstanding the provisions of this article, the allocation of revenue from advance deposit account

7239 wagering shall include (i) a licensee fee of 1.5 percent paid to the Commission; (ii) an additional fee equal to

7240 one percent of all wagers made within the Commonwealth placed through an advance deposit account

7241 wagering licensee, which shall be paid to the Virginia Breeders Fund, and (iii) an additional fee equal to

7242 nine percent of all wagers made within the Commonwealth placed through an advance deposit account

7243 wagering licensee, out of which shall be paid:

7244 1. Four percent to a nonprofit industry stakeholder organization recognized by the Board to include the

7245 recognized majority horsemen's group, a breeder's organization, and a licensed track operator for the

7246 purpose of promoting, sustaining, and advancing horse racing within the Commonwealth; and

7247 2. Five percent to representatives of the recognized majority horsemen's group by breed to be used for

7248 purse funds at races conducted in the Commonwealth, unless otherwise authorized by the Board.

7249 Notwithstanding the foregoing, if the advance deposit account wagering licensee is a significant

7250 infrastructure limited licensee, the additional fee equal to nine percent of the wagers placed through such

7251 advance deposit account wagering licensee since November 1, 2014, shall instead be retained by such

7252 licensee for operational expenses, including defraying the costs of live racing.

7253 B. The Board-recognized nonprofit industry stakeholder organization shall make distributions from fees
7254 received from advance deposit wagering to organizations within the Commonwealth providing care for
7255 retired race horses, the Virginia-Maryland Regional College of Veterinary Medicine, the Virginia Horse
7256 Center Foundation, the Virginia Horse Industry Board, and the Virginia Thoroughbred Association in the
7257 percentages of wagering handles set forth in subsections D and G of § 29.5-635, and shall make a
7258 distribution of thirty-five one-hundredths of one percent of all wagers made within the Commonwealth placed
7259 through such advance deposit account wagering licensee to the locality where live racing licensed by the
7260 Commission occurred prior to January 1, 2012, and beginning January 1, 2020, to the locality or localities
7261 where such live racing occurs to be shared in a ratio of the number of such annual live races in a locality to
7262 the total number of such annual lives races in the Commonwealth. Distributions under this section from the
7263 Board-recognized nonprofit stakeholder organization to the foregoing entities and locality or localities, when
7264 added to the distributions to such entities and locality or localities under this article, shall be capped at the
7265 sum necessary to equal distributions made in the 2013 calendar year to each entity under this article, and
7266 shall be capped at the sum necessary to equal \$400,000 for a locality or localities.

7267 C. Any additional distribution of fees received from advance deposit account licensees by the Board
7268 -recognized nonprofit industry stakeholder organization shall be approved by the Board.

7269 § 29.5-638. Admissions tax.

7270 The governing body of any county or city may by ordinance impose a tax on any licensee hereunder to
7271 conduct a race meeting at a track located solely in such county or city of \$0.25 on the admission of each
7272 person on each day except those holding a valid permit under this chapter and actually employed at such
7273 track in the capacity for which such permit was issued. The licensee may collect such amount from the ticket
7274 holder in addition to the amount charged for the ticket of admission.

7275 If such track or its enclosure is located in two or in three localities, each locality may impose a tax
7276 pursuant to this section of twelve and one-half cents or eight and one-third cents per person, respectively.

7277 Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 shall not
7278 include the admissions tax imposed under this section.

7279 Article 6.

7280 Prohibited Acts; Penalties.

7281 § 29.5-639. Unlawful conduct of wagering; penalty.

7282 Any person not licensed pursuant to this chapter who conducts (i) pari-mutuel wagering or (ii) horse
7283 racing on which wagering is conducted with his knowledge or consent is guilty of a Class 4 felony.

7284 § 29.5-640. Fraudulent use of credential; penalty.

7285 A. Any person who has in his possession (i) any credential, license, or permit issued by the Commissioner
7286 other than the lawful holder thereof or (ii) a forged or simulated credential, license, or permit of the
7287 Commission, and uses such credential, license, or permit for the purpose of misrepresentation, fraud, or
7288 touting is guilty of a Class 4 felony.

7289 B. Any credential, license, or permit issued by the Commissioner shall be automatically revoked if used by
7290 the holder thereof for a purpose other than identification and in the performance of legitimate duties on a
7291 racetrack or within a satellite facility, whether so used on or off a racetrack or satellite facility.

7292 § 29.5-641. Unlawful transmission of information; penalty.

7293 A. Any person who knowingly transmits information as to the progress or results of a horse race, or
7294 information as to wagers, betting odds, post or off times, or jockey changes in any race by any means
7295 whatsoever for the purposes of carrying on illegal gambling operations as defined in § 18.2-325, or to a
7296 person engaged in illegal gambling operations is guilty of a Class 4 felony.

7297 B. This section shall not be construed to prohibit (i) a newspaper from printing such results or
7298 information as news or (ii) any television or radio station from telecasting or broadcasting such results or
7299 information as news.

7300 C. This section shall not be so construed as to place in jeopardy any common carrier or its agents
7301 performing operations within the scope of a public franchise or any gambling operation authorized by law.

7302 § 29.5-642. Touting; penalty.

7303 Any person who (i) knowingly and designedly by false representation persuades, procures, or causes, or
7304 attempts to persuade, procure, or cause, another person to wager on a horse in a race to be run in the
7305 Commonwealth or elsewhere, and upon which money is wagered in the Commonwealth, and (ii) asks or
7306 demands compensation as a reward for information or purported information given in such case is guilty of a
7307 Class 1 misdemeanor.

7308 § 29.5-643. Bribing of a jockey, driver, or other participant; penalty.

7309 Any person who gives, promises, or offers to any jockey, driver, groom, or any person participating in any

7310 race meeting, including owners of racetracks and their employees, stewards, trainers, judges, starters, and
7311 special policemen, any valuable thing with intent to influence him to attempt to lose or cause to be lost a
7312 horse race in which such person is taking part or expects to take part, or has any duty or connection, or who,
7313 being either jockey, driver, groom, or participant in a race meeting, solicits or accepts any valuable thing to
7314 influence him to lose or cause to be lost a horse race in which he is taking part, or expects to take part, or
7315 has any duty or connection, is guilty of a Class 4 felony.

7316 **§ 29.5-644. Prohibited acts, administration of drugs, etc.; penalty.**

7317 A. Any person who, with the intent to defraud, acts to alter the outcome of a race by (i) the administration
7318 of any substance foreign to the natural horse, except those substances specifically permitted by the
7319 regulations of the Board, or (ii) the use of any device, electrical or otherwise, except those specifically
7320 permitted by the regulations of the Board, is guilty of a Class 4 felony.

7321 B. Any person who, with the intent to defraud, influences or conspires with another to alter the outcome of
7322 a race by (i) the administration of any substance foreign to the natural horse, except those substances
7323 specifically permitted by the regulations of the Board, or (ii) the use of any device, electrical or otherwise,
7324 except those specifically permitted by the regulations of the Board, is guilty of a Class 4 felony.

7325 C. Any person who (i) administers any substance foreign to the natural horse, except those substances
7326 specifically permitted by the regulations of the Board, when the horse is entered to start or (ii) at any time,
7327 exposes any substance foreign to the natural horse with the intent of impeding or increasing the speed,
7328 endurance, health, or condition of a horse, is guilty of a Class 4 felony.

7329 **§ 29.5-645. Possessing drugs; penalty.**

7330 A. Except those drugs permitted by regulation of the Board, no person shall possess or transport any drug
7331 within the racing enclosure without a bona fide veterinarian's prescription with a complete statement of uses
7332 and purposes on the container. A copy of such prescription shall be filed with the stewards.

7333 B. Any person knowingly violating the provisions of this section relating to the legal possession of drugs
7334 is guilty of a Class 1 misdemeanor.

7335 C. The provisions of the Drug Control Act (§ 54.1-3400 et seq.) shall apply in situations where drugs
7336 regulated by the Act are within the racing enclosure.

7337 **§ 29.5-646. Racing under false name; penalty.**

7338 Any person who knowingly (i) enters or races any horse in any running or harness race under any name

7339 or designation other than the name or designation assigned to such horse by and registered with the Jockey
7340 Club, the United States Trotting Association, the American Quarter Horse Association, or other applicable
7341 association or (ii) instigates, engages in, or in any way furthers any act by which any horse is entered or
7342 raced in any running or trotting race under any name or designation other than the name or designation duly
7343 assigned by and registered with the Jockey Club, the United States Trotting Association, the American
7344 Quarter Horse Association, or other applicable association, is guilty of a Class 4 felony.

7345 **§ 29.5-647. Prohibition on underage pari-mutuel wagering; penalty.**

7346 A. No person shall wager on or conduct any wagering on the outcome of a horse race pursuant to the
7347 provisions of this chapter unless such person is 18 years of age or older.

7348 B. No person shall accept any wager from a minor.

7349 C. No person shall be admitted into a satellite facility if such person is under 18 years of age unless
7350 accompanied by a parent or legal guardian.

7351 D. No person under 21 years of age shall use any electronic gaming terminal or other electronic device in
7352 a satellite facility to wager on or conduct any wagering on historical horse racing.

7353 E. Violation of this section shall be a Class 1 misdemeanor.

7354 **§ 29.5-648. Conspiracies and attempts to commit violations; penalty.**

7355 A. Any person who conspires, confederates, or combines with another, either within or outside of the
7356 Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 4 felony.

7357 B. Any person who attempts to commit any act prohibited by this chapter shall be guilty of a criminal
7358 offense and punished as provided in either § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

7359 SUBTITLE II.

7360 VIRGINIA LOTTERY.

7361 CHAPTER 7.

7362 GENERAL PROVISIONS.

7363 **§ 29.5-700. Short title.**

7364 This subtitle shall be known and may be cited as the "Virginia Lottery Law."

7365 **§ 29.5-701. Establishment of state lottery.**

7366 This subtitle establishes a lottery to be operated by the Commonwealth to produce revenue consonant
7367 with the probity of the Commonwealth and the general welfare of its people, to be used for the public purpose

7368 as provided in Article X, Section 7-A of the Constitution of Virginia.

7369 **§ 29.5-702. Definitions.**

7370 As used in this subtitle, unless the context requires a different meaning:

7371 "Board" means the Virginia Lottery Board established by this subtitle.

7372 "Department" means the independent agency responsible for the administration of the Virginia Lottery
7373 pursuant to this subtitle.

7374 "Director" means the Director of the Virginia Lottery.

7375 "Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this
7376 subtitle.

7377 "Ticket courier service" means a third-party service operated for the purpose of purchasing Virginia
7378 Lottery tickets on behalf of individuals located within or outside of the Commonwealth and delivering or
7379 transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery
7380 service.

7381 **§ 29.5-703. Virginia Lottery established.**

7382 Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any other
7383 provision of law, there is hereby established as an independent agency of the Commonwealth, exclusive of the
7384 legislative, executive, or judicial branches of government, the Virginia Lottery, which shall include a
7385 Director and a Virginia Lottery Board for the purpose of operating a state lottery.

7386 **§ 29.5-704. Membership of Board; appointment; terms; vacancies; removal; expenses.**

7387 A. The Board shall consist of five members, all of whom shall be citizens and residents of the
7388 Commonwealth and all of whom shall be appointed by and serve at the pleasure of the Governor, subject to
7389 confirmation by a majority of the members elected to each house of the General Assembly if in session when
7390 the appointment is made, and if not in session, then at its next succeeding session. Prior to the appointment of
7391 any Board members, the Governor shall consider the political affiliation and the geographic residence of the
7392 Board members. The members shall be appointed for terms of five years. The members shall annually elect
7393 one member as chairman of the Board.

7394 B. Any vacancy on the Board occurring for any reason other than the expiration of a term shall be filled
7395 for the unexpired term in the same manner as the original term.

7396 C. The members of the Board shall receive such compensation as provided in § 2.2-2813, shall be subject

7397 to the requirements of such section, and shall be allowed reasonable expenses incurred in the performance of
7398 their official duties.

7399 D. Before entering upon the discharge of their duties, the members of the Board shall take an oath that
7400 they will faithfully and honestly execute the duties of the office during their continuance therein and they
7401 shall give bond in such amount as may be fixed by the Governor, conditioned upon the faithful discharge of
7402 their duties. The premium on such bond shall be paid out of the Virginia Lottery Fund.

7403 **§ 29.5-705. Appointment, qualifications, and salary of Director.**

7404 A. The Department shall be under the immediate supervision and direction of a Director, who shall be a
7405 person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough
7406 background investigation conducted by the Department of State Police prior to appointment. The Director
7407 shall be appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the
7408 members elected to each house of the General Assembly if in session when the appointment is made, and if
7409 not in session, then at its next succeeding session. The Director shall receive a salary as provided in the
7410 general appropriation act.

7411 B. The Director shall devote his full time to the performance of his official duties and shall not be engaged
7412 in any other profession or occupation.

7413 C. Before entering upon the discharge of his duties, the Director shall take an oath that he will faithfully
7414 and honestly execute the duties of his office during his continuance therein and shall give bond in such
7415 amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The premium
7416 on such bond shall be paid out of the Virginia Lottery Fund.

7417 **§ 29.5-706. Powers of the Director.**

7418 A. The Director shall supervise and administer the operation of the lottery in accordance with the
7419 provisions of this subtitle and with the rules and regulations promulgated hereunder.

7420 B. The Director shall also:

7421 1. Employ such deputy directors, professional, technical and clerical assistants, and other employees as
7422 may be required to carry out the functions and duties of the Department.

7423 2. Act as secretary and executive officer of the Board.

7424 3. Require bond or other surety satisfactory to the Director from licensed agents as provided in
7425 subsection E of § 29.5-709 and Department employees with access to Department funds or lottery funds, in

7426 such amount as provided in the rules and regulations of the Board. The Director may also require bond from
7427 other employees as he deems necessary.

7428 4. Confer regularly, but not less than four times each year, with the Board on the operation and
7429 administration of the lottery; make available for inspection by the Board, upon request, all books, records,
7430 files, and other information and documents of the Department; and advise the Board and recommend such
7431 matters as he deems necessary and advisable to improve the operation and administration of the lottery.

7432 5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and
7433 regulations adopted hereunder.

7434 6. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery
7435 and into interstate and international lottery contracts with other states and nations. A contract awarded or
7436 entered into by the Director shall not be assigned by the holder thereof except by specific approval of the
7437 Director.

7438 7. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery
7439 revenues, prize disbursements, and other expenses for the preceding month.

7440 8. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee
7441 on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the
7442 total lottery revenues, prize disbursements, and other expenses for the preceding month and make an annual
7443 report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other
7444 expenses to the Governor and the General Assembly.

7445 9. Report immediately to the Governor and the General Assembly any matters that require immediate
7446 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this subtitle or the rules
7447 and regulations adopted hereunder or to rectify undesirable conditions in connection with the administration
7448 or operation of the lottery.

7449 10. Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of
7450 \$600 in the manner required by the lottery rules and regulations.

7451 11. Provide for the withholding of the applicable amount of state and federal income tax of persons
7452 claiming a prize for a winning ticket in excess of \$5,001.

7453 12. Participate in the Problem Gambling Treatment and Support Advisory Committee established
7454 pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable

7455 collaboration among prevention and treatment providers and operators of legal gaming in the
7456 Commonwealth on efforts to reduce the negative effects of problem gambling.

7457 C. The Director and the director of security or investigators appointed by the Director shall be vested
7458 with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and
7459 to investigate violations of the statutes and regulations that the Director is required to enforce.

7460 D. The Director may authorize temporary bonus or incentive programs for payments to licensed sales
7461 agents that he determines will be cost effective and support increased sales of lottery products.

7462 **§ 29.5-707. Powers of the Board.**

7463 A. The Board shall have the power to adopt regulations governing the establishment and operation of a
7464 lottery pursuant to this subtitle. The regulations governing the establishment and operation of the lottery
7465 shall be promulgated by the Board after consultation with the Director. Such regulations shall be in
7466 accordance with the Administrative Process Act (§ 2.2-4000 et seq.). The regulations shall provide for all
7467 matters necessary or desirable for the efficient, honest, and economical operation and administration of the
7468 lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or
7469 shares. The regulations, which may be amended, repealed, or supplemented as necessary, shall include the
7470 following:

7471 1. The type or types of lottery or game to be conducted in accordance with § 29.5-701.

7472 2. The price or prices of tickets or shares in the lottery.

7473 3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of
7474 the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii)
7475 returned to the Commonwealth as net revenues.

7476 4. The manner of selecting the winning tickets or shares.

7477 5. The manner of payment of prizes to the holders of winning tickets or shares.

7478 6. The frequency of the drawings or selections of winning tickets or shares without limitation.

7479 7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

7480 8. The method to be used in selling tickets or shares, including the sale of tickets or shares over the
7481 Internet.

7482 9. The advertisement of the lottery in accordance with the provisions of subsection E of § 29.5-717.

7483 10. The licensing of agents to sell tickets or shares who will best serve the public convenience and

7484 promote the sale of tickets or shares. No person under the age of 18 shall be licensed as an agent. A licensed
7485 agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the agent's
7486 place of business so long as the employee is supervised in the selling or vending of tickets by the manager or
7487 supervisor in charge at the location where the tickets are being sold. Employment of such person shall be in
7488 compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

7489 11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide
7490 for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.
7491 Notwithstanding the provisions of this subdivision, the Board shall not be required to approve temporary
7492 bonus or incentive programs for payments to licensed sales agents.

7493 12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all other
7494 sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

7495 13. Such other matters necessary or desirable for the efficient and economical operation and
7496 administration of the lottery.

7497 The Department shall not be subject to the provisions of Chapter 43 (§ 2.2-4300 et seq.) of Title 2.2;
7498 however, the Board shall promulgate regulations, after consultation with the Director, relative to
7499 departmental procurement that include standards of ethics for procurement consistent with the provisions of
7500 Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of Title 2.2 and that ensure that departmental procurement will
7501 be based on competitive principles.

7502 The Board shall have the power to advise and recommend, but shall have no power to veto or modify,
7503 administrative decisions of the Director. However, the Board shall have the power to accept, modify, or
7504 reject any revenue projections before such projections are forwarded to the Governor.

7505 B. The Board shall carry on a continuous study and investigation of the lottery throughout the
7506 Commonwealth to:

7507 1. Ascertain any defects of this subtitle or the regulations issued hereunder that cause abuses in the
7508 administration and operation of the lottery and any evasions of such provisions.

7509 2. Formulate, with the Director, recommendations for changes in this subtitle and the regulations
7510 promulgated hereunder to prevent such abuses and evasions.

7511 3. Guard against the use of this subtitle and the regulations promulgated hereunder as a subterfuge for
7512 organized crime and illegal gambling.

7513 4. Ensure that this law and the regulations of the Board are in such form and are so administered as to
7514 serve the true purpose of this subtitle.

7515 C. The Board shall make a continuous study and investigation of (i) the operation and the administration
7516 of similar laws that may be in effect in other states or countries, (ii) any literature on the subject that may be
7517 published or available, (iii) any federal laws that may affect the operation of the lottery, and (iv) the reaction
7518 of Virginia citizens to the potential features of the lottery with a view to recommending or effecting changes
7519 that will serve the purpose of this subtitle.

7520 D. The Board shall hear and decide an appeal of any denial by the Director of the licensing or revocation
7521 of a license of a lottery agent pursuant to subdivision A 10 and to subdivision B 5 of § 29.5-706.

7522 E. The Board shall have the authority to initiate procedures for the planning, acquisition, and
7523 construction of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3 (§
7524 2.2-1819 et seq.) of Chapter 18 of Title 2.2.

7525 **§ 29.5-708. Employees of the Department; background investigations of employees.**

7526 All persons employed by the Department shall be fingerprinted before, and as a condition of, employment.
7527 These fingerprints shall be submitted to the Federal Bureau of Investigation for a national criminal records
7528 search and to the Department of State Police for a Virginia criminal history records search. All board
7529 members, officers, and employees of any vendor of lottery online or instant ticket goods or services working
7530 directly on a contract with the Department for such goods or services shall be fingerprinted, and such
7531 fingerprints shall be submitted to the Federal Bureau of Investigation for a national criminal records search
7532 conducted by the chief security officer of the Department. A background investigation shall be conducted by
7533 the chief security officer of the Department on every applicant prior to employment by the Department.
7534 However, all division directors of the Department and employees of the Department performing duties
7535 primarily related to security matters shall be subject to a background investigation report conducted by the
7536 Department of State Police prior to employment by the Department. The Department of State Police shall be
7537 reimbursed by the Virginia Lottery for the cost of investigations conducted pursuant to this section or §
7538 29.5-705. No person who has been convicted of a felony, bookmaking, or other forms of illegal gambling, or
7539 of a crime involving moral turpitude shall be employed by the Department or on contracts with vendors
7540 described in this section.

7541 **§ 29.5-709. Licensing of lottery sales agents; penalty.**

7542 A. No license as an agent to sell lottery tickets or shares shall be issued to any person to engage in
7543 business primarily as a lottery sales agent. Before issuing such license, the Director shall consider such
7544 factors as (i) the financial responsibility and security of the person and his business or activity; (ii) the
7545 accessibility of his place of business or activity to the public; (iii) the sufficiency of existing licensees to serve
7546 the public convenience; and (iv) the volume of expected sales.

7547 B. For the purposes of this section, the term "person" means an individual, association, partnership,
7548 corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignee, referee, or
7549 any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise,
7550 and any combination of individuals. "Person" also means all departments, commissions, agencies, and
7551 instrumentalities of the Commonwealth, including counties, cities, municipalities, agencies, and
7552 instrumentalities thereof.

7553 C. The chief security officer of the Department shall conduct a background investigation, to include a
7554 Virginia criminal history records search, and fingerprints that shall be submitted to the Federal Bureau of
7555 Investigation if the Director deems a national criminal records search necessary, on applicants for licensure
7556 as lottery sales agents. The Director may refuse to issue a license to operate as an agent to sell lottery tickets
7557 or shares to any person who has been (i) convicted of a crime involving moral turpitude, (ii) convicted of
7558 bookmaking or other forms of illegal gambling, (iii) found guilty of any fraud or misrepresentation in any
7559 connection, (iv) convicted of a felony, or (v) engaged in conduct prejudicial to public confidence in the
7560 Lottery. The Director may refuse to grant a license or may suspend, revoke, or refuse to renew a license
7561 issued pursuant to this subtitle to a partnership or corporation, if he determines that any general or limited
7562 partner, or officer or director of such partnership or corporation has been (a) convicted of a crime involving
7563 moral turpitude, (b) convicted of bookmaking or other forms of illegal gambling, (c) found guilty of any fraud
7564 or misrepresentation in any connection, (d) convicted of a felony, or (e) engaged in conduct prejudicial to
7565 public confidence in the Lottery. Whoever knowingly and willfully falsifies, conceals, or misrepresents a
7566 material fact or knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in
7567 any application for licensure to the Department for lottery sales agent is guilty of a Class 1 misdemeanor.

7568 D. In the event an applicant is a former lottery sales agent whose license was suspended, revoked, or
7569 refused renewal pursuant to this section or § 29.5-712, no application for a new license to sell lottery tickets
7570 or shares shall be considered for a minimum period of 90 days following the suspension, revocation, or

7571 refusal to renew.

7572 E. Prior to issuance of a license, every lottery sales agent shall either (i) be bonded by a surety company
7573 entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the
7574 regulations of the Department or (ii) provide such other surety as may be satisfactory to the Director,
7575 payable to the Virginia Lottery and conditioned upon the faithful performance of his duties.

7576 F. Every licensed agent shall prominently display his license, or a copy thereof, as provided in the
7577 regulations of the Department.

7578 **§ 29.5-710. Authority of persons licensed as lottery sales agents; annual fee.**

7579 A. Notwithstanding any other provision of law, any person licensed as provided in this subtitle is hereby
7580 authorized to act as a lottery sales agent.

7581 B. The rules and regulations of the Department shall provide for an initial licensing fee and an annual
7582 license review fee to be collected from each lottery sales agent. Such fee, as promulgated by rule and
7583 regulation of the Board, shall be designed to recover all or such portion of the installation and annual
7584 operational costs borne by the Department in providing services to the agent.

7585 **§ 29.5-711. Meaning of "gross receipts."**

7586 A. Notwithstanding the provisions of Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 or § 29.5-812 relating
7587 to local license taxes, the term "gross receipts" as used in Chapter 37 shall include only the compensation
7588 actually paid to a licensed sales agent as provided by rule or regulation adopted by the Board consistent with
7589 the provisions of subdivision A 11 of § 29.5-707.

7590 B. Unless otherwise provided by contract, any person licensed as a lottery agent who makes rental
7591 payments for the business premises on which state lottery tickets are sold on the basis of retail sales shall
7592 have that portion of rental payment based on sales of state lottery tickets or shares computed on the basis of
7593 the compensation received as a lottery agent from the Virginia Lottery.

7594 **§ 29.5-712. Suspension and revocation of licenses.**

7595 The Director may suspend, revoke, or refuse to renew, after notice and a hearing, any license issued
7596 pursuant to this subtitle. Such license may, however, be temporarily suspended by the Director without prior
7597 notice, pending any prosecution, hearing, or investigation, whether by a third party or by the Director. A
7598 license may be suspended, revoked, or refused renewal by the Director for one or more of the following
7599 reasons:

- 7600 1. Failure to properly account for lottery tickets received or the proceeds of the sale of lottery tickets;
- 7601 2. Failure to file a bond if required by the Director or to comply with instructions and rules and
- 7602 regulations of the Department concerning the licensed activity, especially with regard to the prompt payment
- 7603 of claims;
- 7604 3. Conviction of any offense referenced in subsection C of § 29.5-709 subsequent to licensure;
- 7605 4. Failure to file any return or report, to keep records, or to pay any fees or other charges required by this
- 7606 subtitle;
- 7607 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the
- 7608 Commonwealth lottery;
- 7609 6. If the number of lottery tickets sold by the lottery sales agent is insufficient to meet administrative costs
- 7610 and public convenience is adequately served by other licensees;
- 7611 7. A material change, since issuance of the license, with respect to any matters required to be considered
- 7612 by the Director under this subtitle; or
- 7613 8. Other factors established by Department regulation.
- 7614 **§ 29.5-713. Prohibited actions; penalty.**
- 7615 Any person who wrongfully and fraudulently uses, disposes of, conceals, or embezzles any public money
- 7616 or funds associated with the operation of the lottery is guilty of a Class 3 felony. Any person who wrongfully
- 7617 and fraudulently tampers with any equipment or machinery used in the operation of the lottery is guilty of a
- 7618 Class 3 felony. Any person who makes inaccurate entries regarding a financial accounting of the lottery in
- 7619 order to conceal the truth, defraud the Commonwealth, and obtain money to which he is not entitled is guilty
- 7620 of a Class 3 felony.
- 7621 **§ 29.5-714. License required for "instant ticket" games or contests; penalty.**
- 7622 No person who owns or is employed by any retail establishment in the Commonwealth shall use any
- 7623 "instant ticket" game or contest for the purpose of promoting or furthering the sale of any product without
- 7624 first obtaining a license to do so from the Director. For the purposes of this section, an "instant ticket" game
- 7625 or contest means a game of chance played on a paper ticket or card where (i) a person may receive gifts,
- 7626 prizes, or gratuities and (ii) winners are determined by preprinted concealed letters, numbers, or symbols
- 7627 which, when exposed, reveal immediately whether the player has won a prize or entry into a prize drawing,
- 7628 but shall not include any "instant ticket" game or contest licensed by the Virginia Gaming Commission

7629 pursuant to Chapter 2 (§ 29.5-200 et seq.). The fact that no purchase is required in order to participate shall
7630 not exclude such game or contest from the provisions of this section; however, nothing in this section shall
7631 prohibit any retail establishment from using a Virginia lottery ticket to promote or further the sale of any
7632 products except those having both a federal and state excise tax placed on them. Any person convicted of a
7633 violation of this section is guilty of a Class 3 misdemeanor.

7634 § 29.5-715. Unclaimed prizes.

7635 A. Unclaimed prizes for a winning ticket or share shall be retained by the Director for the person entitled
7636 thereto for 180 days after the drawing in which the prize was won in the case of a drawing prize and for 180
7637 days after the announced end of the lottery game in the case of a prize determined in any manner other than
7638 by means of a drawing. If no claim is made for the prize within the 180 days, the Director shall deem such
7639 prize forfeited by the person entitled to claim such winnings.

7640 B. All prizes deemed forfeited pursuant to subsection A shall be paid into the Literary Fund. The Director
7641 may develop procedures, to be approved by the Auditor of Public Accounts, for estimating the cumulative
7642 total of such unclaimed prizes in any lottery game in lieu of specifically identifying unclaimed prizes where
7643 such specific identification would not be cost effective. The Director, within 60 days after the end of each
7644 180-day retention period, shall report the total value of prizes forfeited at the end of such period to the
7645 Comptroller, who shall promptly transfer the total of such prizes to the Literary Fund. The total value of
7646 prizes forfeited during the fiscal year shall be audited by the Auditor of Public Accounts in accordance with §
7647 29.5-719. In the case of a prize payable over time on one or more winning tickets, if one or more winning
7648 tickets is not claimed within the 180-day redemption period, the Department shall transfer the then current
7649 monetary value of such portion of the prize remaining unclaimed to the Literary Fund in accordance with
7650 procedures approved by the State Treasurer. "Current monetary value" shall be determined by the net
7651 proceeds from the sale of that portion of jackpot securities allocated to the unclaimed winner plus the amount
7652 of the initial cash payment.

7653 C. Subsection B shall not apply to prizes of \$25 or less resulting from any lottery game other than a
7654 lottery game in which a drawing determined the prize. The Board shall adopt regulations for the disposition
7655 of all such unclaimed prizes of \$25 or less not resulting from a drawing. Such disposition shall be directed in
7656 whole or in part to either the Virginia Lottery Fund or to other forms of compensation to licensed sales
7657 agents.

7658 D. For purposes of this section, "prize" refers to a cash prize. In the case of a prize payable over time and
7659 not as a lump sum payment, "prize" means the present cash value of the prize, not the value paid over time.

7660 E. In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 App.
7661 U.S.C.A. § 525), any person whose unclaimed prize was deemed forfeited pursuant to subsection A while he
7662 was in active military service may claim such forfeited prize by presenting his winning ticket to the Director
7663 no later than 180 days after his discharge from active military service. Within 30 days of such presentation,
7664 the Director shall verify the claim and report the verification to the Comptroller. The Comptroller shall
7665 promptly pay the verified claim first from funds available in the Unclaimed Property Trust Fund; if such
7666 funds are insufficient, then, from any undesignated, unreserved year-end balance of the general fund. All
7667 verified claims shall be paid in accordance with the Board's rules and regulations then in effect regarding the
7668 manner of payment of prizes to the holders of winning tickets or shares.

7669 § 29.5-716. Deposit of moneys received by agents; performance of functions, etc., in connection with
7670 operation of lottery; compensation of agents.

7671 A. The Director shall require all lottery sales agents to deposit to the credit of the Virginia Lottery Fund
7672 in banks, designated by the State Treasurer, all moneys received by such agents from the sale of lottery
7673 tickets or shares, less any amount paid as prizes or retained as compensation to agents for the sale of the
7674 tickets or shares, and to file with the Director, or his designated agents, reports of their receipts,
7675 transactions, and disbursements pertaining to the sale of lottery tickets in such form and containing such
7676 information as he may require. Such deposits and reports shall be submitted at such times and within such
7677 intervals as shall be prescribed by rule and regulation of the Department. The Director may arrange for any
7678 person, including a bank, to perform such functions, activities, or services in connection with the operation of
7679 the lottery as he may deem advisable pursuant to this subtitle and the rules and regulations of the
7680 Department, and such functions, activities, and services shall constitute lawful functions, activities, and
7681 services of the person.

7682 B. The rules and regulations of the Department shall provide for a service charge to the licensed agent if
7683 any payor bank dishonors a check or draft tendered for deposit to the credit of the Virginia Lottery Fund by a
7684 licensed agent or for an electronic transfer of funds to the Virginia Lottery Fund from the account of a
7685 licensed agent for money received from the sale of lottery tickets.

7686 The regulations of the Department shall provide for a service charge and penalty to a licensed agent if

7687 any payor bank dishonors a check or draft from the account of a licensed agent tendered for payment of any
7688 prize by a licensed agent to any claimant. Any such charge or penalty so collected by the Department shall be
7689 used first to reimburse the claimant for any charges or penalties incurred by him as a result of the licensed
7690 agent's dishonored check tendered as payment of any prize and the remainder to offset the Department's
7691 administrative costs.

7692 C. A licensed agent shall be charged interest as provided in § 58.1-15 on the money that is not timely paid
7693 to the Virginia Lottery Fund in accordance with the rules and regulations of the Department and shall in
7694 addition thereto pay penalties as provided by rules and regulations of the Department.

7695 D. Should the Department refer the debt of any licensed agent to the Attorney General, the Department of
7696 Taxation as provided in the Setoff Debt Collection Act (§ 58.1-520 et seq.), or any other central collection
7697 unit of the Commonwealth, an additional service charge shall be imposed in the amount necessary to cover
7698 the administrative costs of the Department and agencies to which such debt is referred.

7699 E. Notwithstanding the provisions of Chapter 5 (§ 8.01-257 et seq.) of Title 8.01, in any action for the
7700 collection of a debt owed by any licensed agent to the lottery, venue shall lie in the City of Richmond.

7701 F. All proceeds from the sale of lottery tickets or shares received by a person in the capacity of a sales
7702 agent shall constitute a trust fund until deposited into the Virginia Lottery Fund either directly or through the
7703 Department's authorized collection representative. Proceeds shall include cash proceeds of the sale of any
7704 lottery products, less any amount paid as prizes or retained as compensation to agents for the sale of the
7705 tickets or shares. Sales agents shall be personally liable for all proceeds.

7706 G. If the Director determines that the deposit or collection from any sales agent of any moneys or
7707 proceeds under this section is or will be jeopardized or will otherwise be delayed, he may adjust either the
7708 time or the interval or both for such deposits or collections of any sales agent; require that all such moneys
7709 or proceeds shall be kept separate and apart from all other funds and assets and shall not be commingled
7710 with any other funds or assets prior to their deposit or collection under this section; and require such other
7711 security of any sales agent as he may deem advisable to ensure the timely deposit or collection of moneys or
7712 proceeds to the credit of the Virginia Lottery Fund.

7713 Collection of moneys or proceeds "is or will be jeopardized or will otherwise be delayed" when (i) a
7714 check, draft, or electronic funds transfer to the credit of the Virginia Lottery Fund is dishonored as described
7715 in subsection B; (ii) an independent auditor states that the lottery sales agent's financial condition raises

7716 substantial doubt about its ability to continue as a going concern; or (iii) the lottery sales agent (a) closes for
7717 business or fails to maintain normal business hours without reasonable explanation, (b) has a credit record
7718 reflecting recent actions that cast doubt as to its creditworthiness, (c) states it has or may have cash flow
7719 problems or may be unable to meet its financial obligations, (d) states it may seek the protection of the
7720 federal bankruptcy or state insolvency law, (e) refuses to purchase additional lottery tickets or returns tickets
7721 ordered without good cause, or (f) does any other act tending to prejudice or to render wholly or partially
7722 ineffectual proceedings to collect moneys or proceeds that are or will become due and payable to the
7723 Virginia Lottery Fund.

7724 **§ 29.5-717. Virginia Lottery Fund.**

7725 A. All moneys received from the sale of lottery tickets or shares, less payment for prizes and compensation
7726 of agents as authorized by regulation and any other revenues received under this subtitle, shall be placed in a
7727 special fund known as the "Virginia Lottery Fund." Notwithstanding any other provisions of law, interest
7728 earned from moneys in the Virginia Lottery Fund shall accrue to the benefit of such Fund.

7729 B. The total costs for the operation and administration of the lottery shall be funded from the Virginia
7730 Lottery Fund and shall be in such amount as provided in the general appropriation act. Appropriations to the
7731 Department during any fiscal year beginning on and after July 1, 1989, exclusive of agent compensation,
7732 shall at no time exceed 10 percent of the total annual estimated gross revenues to be generated from lottery
7733 sales. However, should it be anticipated at any time by the Director that such operational and administrative
7734 costs for a fiscal year will exceed the limitation provided herein, the Director shall immediately report such
7735 information to the Board, the Governor, and the Chairmen of the Senate Committee on Finance and
7736 Appropriations and the House Committee on Appropriations. From the moneys in the Fund, the Comptroller
7737 shall establish a special reserve fund in such amount as shall be provided by regulation of the Department
7738 for (i) operation of the lottery, (ii) use if the game's pay-out liabilities exceed its cash on hand, or (iii)
7739 enhancement of the prize pool with income derived from lending securities held for payment of prize
7740 installments, which lending of securities shall be conducted in accordance with lending programs approved
7741 by the Department of the Treasury.

7742 C. The Comptroller shall transfer to the Lottery Proceeds Fund established pursuant to § 29.5-718, less
7743 the special reserve fund, the audited balances of the Virginia Lottery Fund at the close of each fiscal year.
7744 The transfer for each year shall be made in two parts: (i) on or before June 30, the Comptroller shall transfer

7745 balances of the Virginia Lottery Fund for the fiscal year, based on an estimate determined by the Virginia
7746 Lottery, and (ii) no later than 10 days after receipt of the annual audit report required by § 29.5-719, the
7747 Comptroller shall transfer to the Lottery Proceeds Fund the remaining audited balances of the Virginia
7748 Lottery Fund for the fiscal year. If such annual audit discloses that the actual revenue is less than the
7749 estimate on which the transfer was based, the State Comptroller shall transfer the difference between the
7750 actual revenue and the estimate from the Lottery Proceeds Fund to the Virginia Lottery Fund.

7751 D. In addition to such other funds as may be appropriated, 100 percent of the lottery revenues transferred
7752 to the Lottery Proceeds Fund shall be appropriated entirely and solely for the purpose of public education in
7753 the Commonwealth unless otherwise redirected pursuant to Article X, Section 7-A of the Constitution of
7754 Virginia. The additional appropriation of lottery revenues to local school divisions for public education
7755 purposes consistent with this provision shall be used for operating, capital outlay, or debt service expenses,
7756 as determined by the appropriation act. The additional appropriation of lottery revenues shall not be used by
7757 any local school division to reduce its total local expenditures for public education in accordance with the
7758 provisions of the general appropriation act.

7759 E. As a function of the administration of this subtitle, funds may be expended for the purposes of
7760 reasonably informing the public concerning (i) the facts embraced in the subjects contained in subdivisions A
7761 1 through 7 of § 29.5-707 and (ii) the fact that the net proceeds are paid into the Lottery Proceeds Fund of
7762 the Commonwealth, but no funds shall be expended for the primary purpose of inducing persons to
7763 participate in the lottery.

7764 **§ 29.5-718. Lottery Proceeds Fund.**

7765 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Lottery
7766 Proceeds Fund, referred to in this section as the "Fund." The Fund shall be established on the books of the
7767 Comptroller and interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any
7768 moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the
7769 general fund but shall remain in the Fund. The Fund shall consist of amounts deposited into it from the net
7770 revenues of any lottery conducted by the Commonwealth pursuant to Article X, Section 7-A of the
7771 Constitution of Virginia.

7772 B. For purposes of any appropriation act enacted by the General Assembly and for the purposes of the
7773 Comptroller's preliminary and final annual reports required by § 2.2-813, all deposits to and appropriations

7774 from the Lottery Proceeds Fund shall be accounted for and considered to be a part of the general fund of the
7775 state treasury.

7776 **§ 29.5-719. Post-audit of accounts and transactions of Department; post-compliance audits.**

7777 A regular post-audit shall be conducted of all accounts and transactions of the Department. An annual
7778 audit of a fiscal and compliance nature of the accounts and transactions of the Department shall be
7779 conducted by the Auditor of Public Accounts on or before August 15 of each year. The cost of the annual
7780 audit and post-audit examinations shall be borne by the Department. The Board may order such other audits
7781 as it deems necessary and desirable.

7782 **§ 29.5-720. Employees of the Department.**

7783 Employees of the Department shall be exempt from the provisions of the Virginia Personnel Act, Chapter
7784 29 (§ 2.2-2900 et seq.) of Title 2.2. Personnel actions shall be taken without regard to race, sex, sexual
7785 orientation, gender identity, color, ethnic or national origin, religion, age, disability, or political affiliation.

7786 **§ 29.5-721. Judicial review.**

7787 The action of the Board in granting or denying a license or registration or in suspending or revoking any
7788 license or registration under the provisions of this subtitle shall be subject to review in accordance with the
7789 provisions of the Administrative Process Act (§ 2.2-4000 et seq.). Such review shall be limited to the
7790 evidential record of the proceedings provided by the Board. Both the petitioner and the Board shall have the
7791 right to appeal to the Court of Appeals from any order of the court.

7792 **CHAPTER 8.**

7793 **ADMINISTRATION OF TICKETS AND PRIZES.**

7794 **§ 29.5-800. Lottery tickets to bear telephone number for compulsive gamblers.**

7795 All lottery tickets shall bear a toll-free telephone number for "Gamblers Anonymous" or other
7796 organization that provides assistance to compulsive gamblers.

7797 **§ 29.5-801. Posting of illegal gaming tip line.**

7798 Every licensed lottery sales agent shall post in a conspicuous place in its retail establishment a sign that
7799 bears the toll-free telephone number and website for the illegal gaming tip line established and administered
7800 by the Office of the Gaming Enforcement Coordinator in the Department of State Police pursuant to § 52-54
7801 for members of the public to report concerns about, or suspected instances of, illegal gaming activities.

7802 **§ 29.5-802. Right to prize not assignable; exceptions.**

7803 A. No right of any person to a prize drawn shall be assignable, except that: (i) payment of any prize
7804 drawn may be paid according to the terms of a deceased prize winner's beneficiary designation or similar
7805 form filed with the Department or to the estate of a deceased prize winner who has not completed such a
7806 form; (ii) the prize to which the winner is entitled may be paid to a person pursuant to an appropriate
7807 judicial order; and (iii) payment of any prize drawn may be paid in accordance with the provisions of §
7808 29.5-811. Payments made according to the terms of a deceased prize winner's beneficiary designation or
7809 similar form filed with the Department are effective by reason of the contract involved and this statute and
7810 are not to be considered as testamentary or subject to Chapter 4 (§ 64.2-400 et seq.) of Title 64.2. The
7811 Director shall be discharged of all liability upon payment of a prize pursuant to this section.

7812 B. Investments of prize proceeds made by the Department to fund the payment of an annuitized prize are
7813 to be held in the name of the Department or the Commonwealth and not in the name of the prize winner. Any
7814 claim of a prize winner to a future payment remains inchoate until the date the payment is due under
7815 Department regulations.

7816 C. Except as provided in Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2 and this subtitle, no lottery prize
7817 or installment thereof may be subject to garnishment or to a lien of any kind until such prize or installment
7818 thereof has been paid or distributed.

7819 D. Whenever the Department or the Director is or may be named as a party in any proceeding instituted
7820 by or on behalf of one or more persons who claim ownership of a winning lottery ticket, prize, share, or
7821 portion thereof for the purpose of determining the ownership or right to such ticket, prize, share, or portion
7822 thereof, the Director may voluntarily pay or tender the prize, share, or portion thereof into the circuit court
7823 where the action is filed, or may be ordered to do so by the court, and shall thereupon be discharged from all
7824 liability as between the claimants of such ticket, prize, share, or portion thereof without regard to whether
7825 such payment was made voluntarily or pursuant to a court order.

7826 Nothing in this section shall be deemed to constitute a waiver of the sovereign immunity of the
7827 Commonwealth or to authorize any attachment, garnishment, or lien against the prize, share, or portion
7828 thereof paid into the court except as permitted by subsection C.

7829 **§ 29.5-803. Price of tickets or shares; who may sell; penalty.**

7830 No person shall sell a ticket or share at any price or at any location other than that fixed by rules and
7831 regulations of the Department. No person other than a licensed lottery sales agent or his employee shall sell

7832 lottery tickets or shares, except that nothing in this section shall be construed to prevent any person from
7833 giving lottery tickets or shares to another person over the age of 18 years as a gift. No person shall operate a
7834 ticket courier service in the Commonwealth.

7835 Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

7836 **§ 29.5-804. Method of payment for purchase of tickets or shares.**

7837 Lottery sales agents licensed in accordance with this subtitle shall accept only cash or debit cards in
7838 payment for the purchase of lottery tickets or shares.

7839 **§ 29.5-805. Sale of ticket or share to person under 18 prohibited; penalty.**

7840 No ticket or share shall be sold to or redeemed from any person under the age of 18 years. Any licensee
7841 who knowingly sells or offers to sell or redeem a lottery ticket or share to or from any person under the age
7842 of 18 years is guilty of a Class 1 misdemeanor.

7843 **§ 29.5-806. Gift to minor prohibited; penalty.**

7844 No ticket or share shall be given as a gift or otherwise to any person under the age of 18 years. Any
7845 person who knowingly gives a lottery ticket or share to any person under the age of 18 years is guilty of a
7846 Class 3 misdemeanor.

7847 **§ 29.5-807. Alteration and forgery; presentation of counterfeit or altered ticket or share; penalty.**

7848 Any person who forges, alters, or fraudulently makes any lottery ticket or share with intent to present for
7849 payment or to transfer to another person to be presented for payment or knowingly presents for payment or
7850 transfers to another person to be presented for payment such forged, altered, or fraudulently made
7851 counterfeit lottery ticket or share sold pursuant to this subtitle is guilty of a Class 6 felony.

7852 **§ 29.5-808. Larceny of tickets; fraudulent notification of prizes; penalty.**

7853 A. Any person who steals or otherwise unlawfully converts to his own or another's use a lottery ticket,
7854 prize, share, or portion thereof is guilty of larceny. For purposes of this subsection, the value of a lottery
7855 ticket, prize, share, or portion thereof shall be deemed to be the greater of its face amount or its redemption
7856 value.

7857 B. Any person who, with intent to defraud, steal, embezzle, or violate the provisions of § 18.2-186.3,
7858 designs, makes, prints, or otherwise produces, in whole or in part, a document or writing, whether in printed
7859 or electronic form, that falsely purports to be correspondence from or on behalf of the lottery is guilty of a
7860 Class 5 felony.

7861 Jurisdiction shall lie and prosecution may proceed under this subsection in any county or city (i) in which
7862 the document was created; (ii) from which it was sent, regardless of the form of delivery; or (iii) in which it
7863 was received, regardless of the form of delivery.

7864 **§ 29.5-809. Ticket discounting; civil penalties.**

7865 A. As used in this section, "ticket discounting" means reselling or having a person other than the prize
7866 winner claim a winning lottery ticket or buying or claiming a winning lottery ticket for the purpose of
7867 assisting the original prize winner with concealing his identity as a prize winner.

7868 B. No person shall engage in the practice of ticket discounting.

7869 C. Any person found to have engaged in the practice of ticket discounting shall be fined as determined by
7870 the Director (i) for prizes of less than \$1,000, not more than \$250; (ii) for prizes of \$1,000 or more but less
7871 than \$5,000, more than \$250 but not more than \$500; and (iii) for prizes of \$5,000 or more, no less than
7872 \$1,000. All fines recovered for violations of this section shall be paid into the state treasury to the credit of
7873 the Literary Fund, in accordance with § 19.2-353.

7874 **§ 29.5-810. Certain persons ineligible to purchase tickets or shares or receive prizes.**

7875 A. No ticket or share shall be purchased by, and no prize shall be paid on a ticket purchased by or
7876 transferred to, any Board member, officer, or employee of the lottery, or any board member, officer or
7877 employee of any vendor to the lottery of lottery online or instant ticket goods or services working directly on
7878 a contract with the Department for such goods or services, or any person residing in the same household of
7879 such member, officer, or employee or any person under the age of 18 years, or transferee of any such
7880 persons.

7881 B. Only natural persons may purchase lottery tickets and claim prize winnings. In all cases, the identity
7882 and social security number of all natural persons who receive a prize greater than \$100 from a winning
7883 ticket redeemed at any Department office shall be provided in order to comply with this section and §§
7884 29.5-805, 29.5-806, and 29.5-813 and Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2.

7885 **§ 29.5-811. Voluntary assignment of lottery prizes or pledge as collateral for a loan; requirements for**
7886 **the assignees and lenders.**

7887 A. Lottery prizes, payable in installments over a period of time, excluding prizes payable for the winner's
7888 life, may be voluntarily assigned or pledged as collateral for a loan, in whole or in part, by the person
7889 entitled to such installments, by written contract affirming that the requirements of this section have been met

7890 and endorsed by written order of a court of competent jurisdiction after a hearing. The order shall specify the
7891 name, address, and social security number or tax identification number of the assignee or lender and shall
7892 specifically describe the payments be assigned or pledged as collateral by date and gross pre-tax amount.
7893 The Department shall be given notice of any hearing held pursuant to this section and shall have the right to
7894 appear and participate in such hearing. Venue for hearings held pursuant to this section shall be in the
7895 Circuit Court of the City of Richmond.

7896 The rate charged for any such assignment or loan shall not exceed 15 percent.

7897 The contract shall:

7898 1. Be signed by the assignor and the assignee or the lender and the borrower, and the assignor or
7899 borrower shall affirm the assignment or loan has been voluntarily executed.

7900 2. Include or be accompanied by a sworn statement attesting that the assignor or borrower (i) is of sound
7901 mind and not acting under duress; (ii) has been advised in writing by the assignee or lender to seek
7902 independent legal counsel and independent financial counsel concerning the implications of the assignment
7903 or loan, including the tax consequences, and has either received such advice or knowingly waived such
7904 advice in writing; (iii) understands that he is relinquishing or limiting his rights to receive the lottery
7905 proceeds; and (iv) has received from the Virginia Lottery, in response to a written request therefor,
7906 confirmation of the assignee's or lender's registration with the Virginia Lottery in accordance with subsection
7907 E.

7908 3. Include a disclosure statement setting forth (i) the amounts assigned or loaned; (ii) the dates such
7909 amounts are payable; (iii) the purchase price paid for the assignment or loan; (iv) the rate of discount to
7910 present value, assuming daily compounding and funding on the contract date; (v) the amount of any fees
7911 associated with the assignment or loan and by whom such fees are payable; and (vi) the tax identification
7912 number of the assignee.

7913 4. Expressly state that the assignor or borrower has three business days after signing the contract to
7914 cancel the assignment or loan.

7915 5. Expressly state that the assignee or lender is eligible to purchase, share, or receive prizes of the
7916 Virginia Lottery pursuant to §§ 29.5-805, 29.5-806, and subsection A of § 29.5-810, and that the Virginia
7917 Lottery has complied with subsection B of § 29.5-810 in that the original prizewinner is, or if deceased, was,
7918 a natural person if and to the extent that the prize was awarded on or after the effective date pursuant to

7919 subsection B of § 29.5-810.

7920 6. Expressly state that no amounts assigned or loaned are subject to setoff pursuant to Article 21 (§
7921 58.1-520 et seq.) of Chapter 3 of Title 58.1.

7922 B. The Commonwealth, the Virginia Lottery, and any employee or representative of either shall be
7923 indemnified and held harmless upon payment of amounts due as set forth in the court order.

7924 C. The Virginia Lottery may establish a reasonable fee to process the assignments provided for in this
7925 section and to receive, review, and file the registration required by subsection E and confirm compliance
7926 with the registration requirements. The fee shall be reflective of the direct and indirect costs of processing the
7927 assignments or registrations.

7928 D. Notwithstanding the provisions of this section, the Commonwealth and the Virginia Lottery shall not
7929 accept any assignment if either of the following has occurred:

7930 1. Federal law provides that the right to assign lottery proceeds is deemed receipt of income in the year
7931 the lottery prize is won for all installment lottery prize winners. "Federal law" includes statutory law, rulings
7932 of courts of competent jurisdiction, and published rulings by the Internal Revenue Service.

7933 2. State law provides that the right to assign lottery proceeds is deemed receipt of income in the year the
7934 lottery prize is won for all installment lottery prize winners. "State law" includes statutory law, rulings of
7935 courts of competent jurisdiction, and published rulings by the Department of Taxation.

7936 E. An assignee, prospective assignee, lender, or prospective lender shall not make any representation in
7937 any written or oral communications with a lottery winner that implies that the assignee, prospective assignee,
7938 lender, or prospective lender is associated with or an agent of the Virginia Lottery. Every prospective
7939 assignee or prospective lender shall register with the Virginia Lottery prior to contracting for any assignment
7940 or loan pursuant to this section. The registration shall include (i) the assignee's or lender's standard
7941 information packet or materials given or sent to prospective assignees or borrowers; (ii) the assignee's or
7942 lender's standard form of agreement; (iii) the assignee's or lender's federal tax identification number; and
7943 (iv) where applicable, the assignee's or lender's most recent public financial statement. The Director may
7944 deny, suspend, or revoke a registration for a violation of this subtitle or for such other reasons as the Board,
7945 by regulation, may establish.

7946 § 29.5-812. Exemption of lottery prizes and sales of tickets from state and local taxation.

7947 Except as provided in § 29.5-711 and Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, no state or local taxes

7948 of any type whatsoever shall be imposed upon any prize awarded or upon the sale of any lottery ticket sold
7949 pursuant to the Virginia Lottery Law.

7950 **§ 29.5-813. Set-off of debts to the Commonwealth from prizes.**

7951 The Director shall establish by rule and regulation a set-off debt collection program in accordance with
7952 the provisions of the Setoff Debt Collection Act (§ 58.1-520 et seq.), wherein certain prizes shall be subjected
7953 to delinquent debts of agencies and institutions of the Commonwealth. The Director shall be responsible for
7954 the administration of the program and shall ensure by rule and regulation of the Department that any agency
7955 eligible to participate in the Setoff Debt Collection Act shall be eligible to participate in the lottery prize
7956 set-off. The Tax Commissioner shall transmit to the Director, at such intervals as requested by the Director, a
7957 listing of claimant agencies and delinquent debts owed thereto.

7958 **§ 29.5-814. Disclosure of identity of winners by the Department.**

7959 Except as provided in subsection B of § 29.5-810, the Department shall not disclose information about the
7960 identity of an individual lottery winner if the value of the prize won by the winner exceeds \$10 million, unless
7961 the winner consents in writing to such disclosure.

7962 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

7963 A. As used in this section:

7964 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically
7965 significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria as
7966 defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and where the
7967 behavior is not better explained by a manic episode.

7968 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
7969 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as
7970 a gambling disorder.

7971 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem
7972 Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be
7973 established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection A of §
7974 ~~58.1-4038~~ 29.5-408 and moneys required to be deposited into the Fund pursuant to ~~Chapter 41~~ Chapter 3 (§
7975 ~~58.1-4100~~ 29.5-300 et seq.) of Title ~~58.1~~ 29.5 shall be paid into the state treasury and credited to the Fund.
7976 Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining

7977 in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but
7978 shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) providing counseling
7979 and other support services for compulsive and problem gamblers, (ii) developing and implementing
7980 compulsive and problem gambling treatment and prevention programs, and (iii) providing grants to support
7981 organizations that provide assistance to compulsive and problem gamblers. Expenditures and disbursements
7982 from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written
7983 request signed by the Commissioner.

7984 **§ 52-53. Definitions.**

7985 As used in this chapter, unless the context requires a different meaning:

7986 "Coordinator" means the position of the Gaming Enforcement Coordinator established pursuant to §
7987 52-54.

7988 "Department" means the Department of State Police.

7989 "Gaming laws" means the laws regulating gambling under Article 1 (§ 18.2-325 et seq.) of Chapter 8 of
7990 Title 18.2, charitable gaming under ~~Article 1-1:1 Chapter 2~~ (§ ~~18.2-340.15~~ 29.5-200 et seq.) of Chapter 8 of
7991 Title ~~18.2~~ 29.5, ~~lottery games under Article 1~~ (§ ~~58.1-4000~~ et seq.) of Chapter 40 of Title ~~58.1~~, *casino gaming*
7992 *under Chapter 3* (§ 29.5-300 et seq.) of Title 29.5, sports betting under ~~Article 2 Chapter 4~~ (§ ~~58.1-4030~~
7993 29.5-400 et seq.) of Chapter 40 of Title ~~58.1~~ 29.5, *casino gaming under Chapter 41* (§ ~~58.1-4100~~ et seq.) of
7994 Title ~~58.1~~, fantasy contests under Chapter ~~51~~ 5 (§ ~~59.1-556~~ 29.5-500 et seq.) of Title ~~59.1~~ 29.5, horse racing,
7995 *historical horse racing*, and *simulcast horse racing with pari-mutuel wagering* under Chapter ~~29~~ 6 (§
7996 ~~59.1-364~~ 29.5-600 et seq.) of Title ~~59.1~~ 29.5, *lottery games under Subtitle II* (§ 29.5-700 et seq.) of Title 29.5,
7997 any regulations promulgated pursuant to such laws, and any other federal, state, or local laws the Gaming
7998 Enforcement Coordinator deems relevant.

7999 "Superintendent" means the Superintendent of State Police.

8000 **§ 52-54. Office of the Gaming Enforcement Coordinator established; purpose; duties.**

8001 A. The Superintendent shall designate a Department employee to serve as the Gaming Enforcement
8002 Coordinator. The purpose of the office of the Coordinator shall be to synchronize the enforcement of gaming
8003 laws by state and local law enforcement, and to serve as a liaison between such agencies and federal law
8004 enforcement.

8005 B. The Coordinator shall have the following duties:

8006 1. Coordinating enforcement of the Commonwealth's gaming laws by the Department, the ~~Department of~~
8007 ~~Agriculture and Consumer Services~~ *Virginia Gaming Commission*, and all other state agencies; attorneys for
8008 the Commonwealth; and local law enforcement;

8009 2. Acting as a liaison between the federal government and the agencies identified in subdivision 1 for
8010 purposes of any federal investigation into gaming activities;

8011 3. Establishing, advertising, and administering a tip line, which may be accessed by phone and by
8012 Internet, for members of the public to report concerns about, or suspected instances of, gaming activities; and

8013 4. Performing any other duties as are necessary to promote and enable the equitable enforcement of
8014 gaming laws in the Commonwealth.

8015 **§ 58.1-3. Secrecy of information; penalties.**

8016 A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax
8017 Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or
8018 revenue officer or employee, or any person to whom tax information is divulged pursuant to this section or §
8019 58.1-512 or 58.1-2712.2, or any former officer or employee of any of the aforementioned offices shall not
8020 divulge any information acquired by him in the performance of his duties with respect to the transactions,
8021 property, including personal property, income or business of any person, firm or corporation. Such
8022 prohibition specifically includes any copy of a federal return or federal return information required by
8023 Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports,
8024 returns, financial documents or other information filed with the Attorney General pursuant to the provisions
8025 of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section
8026 is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

8027 1. Matters required by law to be entered on any public assessment roll or book;

8028 2. Acts performed or words spoken, published, or shared with another agency or subdivision of the
8029 Commonwealth in the line of duty under state law;

8030 3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly
8031 constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study,
8032 provided that any such information obtained shall be privileged;

8033 4. The sales price, date of construction, physical dimensions or characteristics of real property, or any
8034 information required for building permits;

8035 5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court
8036 pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent or by
8037 the commissioner of accounts making a settlement of accounts filed in such estate;

8038 6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when
8039 requested by the General Assembly or any duly constituted committee of the General Assembly;

8040 7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions
8041 of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a
8042 tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201
8043 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established
8044 pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which
8045 the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit
8046 of the manufacturer. The information shall only be provided in the following manner: the manufacturer may
8047 make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney
8048 General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of
8049 the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney
8050 General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain
8051 actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them
8052 from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the
8053 reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney
8054 General, including a copy of the prior written request to the Stamping Agent and any response received, for
8055 copies of any reports not received. The Attorney General shall provide copies of the reports within 45 days of
8056 receipt of the request.

8057 B. 1. Nothing contained in this section shall be construed to prohibit the publication of statistics so
8058 classified as to prevent the identification of particular reports or returns and the items thereof or the
8059 publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with
8060 any relevant information which in the opinion of the Department may assist in the collection of such
8061 delinquent taxes. Notwithstanding any other provision of this section or other law, the Department, upon
8062 request by the General Assembly or any duly constituted committee of the General Assembly, shall disclose
8063 the total aggregate amount of an income tax deduction or credit taken by all taxpayers, regardless of (i) how

8064 few taxpayers took the deduction or credit or (ii) any other circumstances. This section shall not be construed
8065 to prohibit a local tax official from disclosing whether a person, firm or corporation is licensed to do business
8066 in that locality and divulging, upon written request, the name and address of any person, firm or corporation
8067 transacting business under a fictitious name. Additionally, notwithstanding any other provision of law, the
8068 commissioner of revenue is authorized to provide, upon written request stating the reason for such request,
8069 the Tax Commissioner with information obtained from local tax returns and other information pertaining to
8070 the income, sales and property of any person, firm or corporation licensed to do business in that locality.

8071 2. This section shall not prohibit the Department from disclosing whether a person, firm, or corporation is
8072 registered as a retail sales and use tax dealer pursuant to Chapter 6 (§ 58.1-600 et seq.) or whether a
8073 certificate of registration number relating to such tax is valid. Additionally, notwithstanding any other
8074 provision of law, the Department is hereby authorized to make available the names and certificate of
8075 registration numbers of dealers who are currently registered for retail sales and use tax.

8076 3. This section shall not prohibit the Department from disclosing information to nongovernmental entities
8077 with which the Department has entered into a contract to provide services that assist it in the administration
8078 of refund processing or other services related to its administration of taxes.

8079 4. This section shall not prohibit the Department from disclosing information to taxpayers regarding
8080 whether the taxpayer's employer or another person or entity required to withhold on behalf of such taxpayer
8081 submitted withholding records to the Department for a specific taxable year as required pursuant to
8082 subdivision C 1 of § 58.1-478.

8083 5. This section shall not prohibit the commissioner of the revenue, treasurer, director of finance, or other
8084 similar local official who collects or administers taxes for a county, city, or town from disclosing information
8085 to nongovernmental entities with which the locality has entered into a contract to provide services that assist
8086 it in the administration of refund processing or other non-audit services related to its administration of taxes.
8087 The commissioner of the revenue, treasurer, director of finance, or other similar local official who collects or
8088 administers taxes for a county, city, or town shall not disclose information to such entity unless he has
8089 obtained a written acknowledgement by such entity that the confidentiality and nondisclosure obligations of
8090 and penalties set forth in subsection A apply to such entity and that such entity agrees to abide by such
8091 obligations.

8092 C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax

8093 Commissioner is authorized to (i) divulge tax information to any commissioner of the revenue, director of
8094 finance, or other similar collector of county, city, or town taxes who, for the performance of his official
8095 duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the
8096 Commissioner of the Department of Social Services, upon entering into a written agreement, the amount of
8097 income, filing status, number and type of dependents, whether a federal earned income tax credit as
8098 authorized in § 32 of the Internal Revenue Code and an income tax credit for low-income taxpayers as
8099 authorized in § 58.1-339.8 have been claimed, and Forms W-2 and 1099 to facilitate the administration of
8100 public assistance or social services benefits as defined in § 63.2-100 or child support services pursuant to
8101 Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2, or as may be necessary to facilitate the administration of
8102 outreach and enrollment related to the federal earned income tax credit authorized in § 32 of the Internal
8103 Revenue Code and the income tax credit for low-income taxpayers authorized in § 58.1-339.8; (iii) provide to
8104 the chief executive officer of the designated student loan guarantor for the Commonwealth of Virginia, upon
8105 written request, the names and home addresses of those persons identified by the designated guarantor as
8106 having delinquent loans guaranteed by the designated guarantor; (iv) provide current address information
8107 upon request to state agencies and institutions for their confidential use in facilitating the collection of
8108 accounts receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the
8109 collection of fines, penalties, and costs imposed in a proceeding in that court; (v) provide to the
8110 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax
8111 information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi)
8112 provide to the Virginia Alcoholic Beverage Control Authority, upon entering into a written agreement, such
8113 tax information as may be necessary to facilitate the collection of state and local taxes and the administration
8114 of the alcoholic beverage control laws; (vii) provide to the Director of the Virginia Lottery such tax
8115 information as may be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii)
8116 provide to the Department of the Treasury for its confidential use such tax information as may be necessary
8117 to facilitate the location of owners and holders of unclaimed property, as defined in § 55.1-2500; (ix) provide
8118 to the State Corporation Commission, upon entering into a written agreement, such tax information as may be
8119 necessary to facilitate the collection of taxes and fees administered by the Commission; (x) provide to the
8120 Executive Director of the Potomac and Rappahannock Transportation Commission for his confidential use
8121 such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi)

8122 provide to the Commissioner of the ~~Department of Agriculture and Consumer Services~~ Virginia Gaming
8123 Commission such tax information as may be necessary to identify those applicants for registration as a
8124 supplier of charitable gaming supplies who have not filed required returns or who owe delinquent taxes; (xii)
8125 provide to the Department of Housing and Community Development for its confidential use such tax
8126 information as may be necessary to facilitate the administration of the remaining effective provisions of the
8127 Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii)
8128 provide current name and address information to private collectors entering into a written agreement with the
8129 Tax Commissioner, for their confidential use when acting on behalf of the Commonwealth or any of its
8130 political subdivisions; however, the Tax Commissioner is not authorized to provide such information to a
8131 private collector who has used or disseminated in an unauthorized or prohibited manner any such information
8132 previously provided to such collector; (xiv) provide current name and address information as to the identity
8133 of the wholesale or retail dealer that affixed a tax stamp to a package of cigarettes to any person who
8134 manufactures or sells at retail or wholesale cigarettes and who may bring an action for injunction or other
8135 equitable relief for violation of Chapter 10.1, Enforcement of Illegal Sale or Distribution of Cigarettes Act;
8136 (xv) provide to the Commissioner of Labor and Industry, upon entering into a written agreement, such tax
8137 information as may be necessary to facilitate the collection of unpaid wages under § 40.1-29; (xvi) provide to
8138 the Director of the Department of Human Resource Management, upon entering into a written agreement,
8139 such tax information as may be necessary to identify persons receiving workers' compensation indemnity
8140 benefits who have failed to report earnings as required by § 65.2-712; (xvii) provide to any commissioner of
8141 the revenue, director of finance, or any other officer of any county, city, or town performing any or all of the
8142 duties of a commissioner of the revenue and to any dealer registered for the collection of the Communications
8143 Sales and Use Tax, a list of the names, business addresses, and dates of registration of all dealers registered
8144 for such tax; (xviii) provide to the Executive Director of the Northern Virginia Transportation Commission
8145 for his confidential use such tax information as may be necessary to facilitate the collection of the motor
8146 vehicle fuel sales tax; (xix) provide to the Commissioner of Agriculture and Consumer Services the name and
8147 address of the taxpayer businesses licensed by the Commonwealth that identify themselves as subject to
8148 regulation by the Board of Agriculture and Consumer Services pursuant to § 3.2-5130; (xx) provide to the
8149 developer or the economic development authority of a tourism project authorized by § 58.1-3851.1, upon
8150 entering into a written agreement, tax information facilitating the repayment of gap financing; (xxi) provide

8151 to the Virginia Retirement System and the Department of Human Resource Management, after entering into a
8152 written agreement, such tax information as may be necessary to facilitate the enforcement of subdivision C 4
8153 of § 9.1-401; (xxii) provide to the Department of Medical Assistance Services and the Department of Social
8154 Services, upon entering into a written agreement, the name, address, social security number, email address,
8155 dependent information provided pursuant to subdivision B 2 of § 58.1-341.1, number and type of personal
8156 exemptions, tax-filing status, adjusted gross income, and any additional information voluntarily provided by
8157 the taxpayer for disclosure pursuant to subdivisions B 1 and 2 of § 58.1-341.1, of an individual, or spouse in
8158 the case of a married taxpayer filing jointly, who has voluntarily consented to such disclosure for purposes of
8159 identifying persons who would like to newly enroll in medical assistance; (xxiii) provide to the
8160 Commissioner of the Department of Motor Vehicles information sufficient to verify that an applicant for a
8161 driver privilege card or permit under § 46.2-328.3 or an applicant for an identification privilege card under §
8162 46.2-345.3 reported income and deductions from Virginia sources, as defined in § 58.1-302, or was claimed
8163 as a dependent, on an individual income tax return filed with the Commonwealth within the preceding 12
8164 months; and (xxiv) provide to the Virginia Health Benefit Exchange, upon entering into a written agreement,
8165 for taxable years starting on January 1, 2023, or as soon thereafter as practicable, as determined by the
8166 Department of Taxation and the Virginia Health Benefit Exchange, the name, address, social security
8167 number, email address, dependent information provided pursuant to subdivision B 2 of § 58.1-341.1, number
8168 and type of personal exemptions, tax-filing status, adjusted gross income, and any additional information
8169 voluntarily provided by the taxpayer for disclosure pursuant to subdivision B 3 of § 58.1-341.1, of an
8170 individual, or spouse in the case of a married taxpayer filing jointly, who has voluntarily consented to such
8171 disclosure for purposes of identifying persons who do not meet the income eligibility requirements for
8172 medical assistance and would like to newly enroll in a qualified health plan. The Tax Commissioner is further
8173 authorized to enter into written agreements with duly constituted tax officials of other states and of the United
8174 States for the inspection of tax returns, the making of audits, and the exchange of information relating to any
8175 tax administered by the Department of Taxation. Any person to whom tax information is divulged pursuant to
8176 this section shall be subject to the prohibitions and penalties prescribed herein as though he were a tax
8177 official.

8178 D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the
8179 commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating

8180 the reason for such request, the chief executive officer of any county or city with information furnished to the
8181 commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located
8182 within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax
8183 revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational
8184 Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm or
8185 entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered
8186 by the Department of Professional and Occupational Regulation, only after the Department of Professional
8187 and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any
8188 representative of a condominium unit owners' association, property owners' association or real estate
8189 cooperative association, or to the owner of property governed by any such association, the names and
8190 addresses of parties having a security interest in real property governed by any such association; however,
8191 such information shall be released only upon written request stating the reason for such request, which reason
8192 shall be limited to proposing or opposing changes to the governing documents of the association, and any
8193 information received by any person under this subsection shall be used only for the reason stated in the
8194 written request. The treasurer or other local assessing official may require any person requesting information
8195 pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any
8196 person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions
8197 and penalties prescribed herein as though he were a tax official.

8198 Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or
8199 other collector of taxes for a county, city or town is authorized to provide information relating to any motor
8200 vehicle, trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to
8201 the commissioner of the revenue or other assessing official for such jurisdiction for use by such
8202 commissioner or other official in performing assessments.

8203 This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor
8204 vehicle local license decal the year, make, and model and any other legal identification information about the
8205 particular motor vehicle for which that local license decal is assigned.

8206 E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory
8207 unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request,
8208 the name, address, and social security number of a taxpayer, necessary for the performance of the

8209 Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of
8210 the Department of Taxation. The receipt of information by the Tax Commissioner or his agent that may be
8211 deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

8212 F. Additionally, it is unlawful for any person to disseminate, publish, or cause to be published any
8213 confidential tax document that he knows or has reason to know is a confidential tax document. A confidential
8214 tax document is any correspondence, document, or tax return that is prohibited from being divulged by
8215 subsection A, B, C, or D and includes any document containing information on the transactions, property,
8216 income, or business of any person, firm, or corporation that is required to be filed with any state official by §
8217 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or
8218 disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of
8219 this subsection is guilty of a Class 1 misdemeanor.

8220 **§ 58.1-439. Major business facility job tax credit.**

8221 A. For taxable years beginning on and after January 1, 1995, but before July 1, 2025, a taxpayer shall be
8222 allowed a credit against the taxes imposed by Articles 2 (§ 58.1-320 et seq.), 6 (§ 58.1-360 et seq.), and 10 (§
8223 58.1-400 et seq.) of Chapter 3; Chapter 12 (§ 58.1-1200 et seq.); Article 1 (§ 58.1-2500 et seq.) of Chapter
8224 25; or Article 2 (§ 58.1-2620 et seq.) of Chapter 26 as set forth in this section.

8225 B. For purposes of this section, the amount of any credit attributable to a partnership, electing small
8226 business corporation (S corporation), or limited liability company shall be allocated to the individual partners,
8227 shareholders, or members, respectively, in proportion to their ownership or interest in such business entities.

8228 C. A "major business facility" is a company that satisfies the following criteria:

8229 1. Subject to the provisions of subsections K or L, the establishment or expansion of the company shall
8230 result in the creation of at least 50 jobs for qualified full-time employees; the first such 50 jobs shall be
8231 referred to as the "threshold amount"; and

8232 2. The company is engaged in any business in the Commonwealth, except a retail trade business if such
8233 trade is the principal activity of an individual facility in the Commonwealth. Examples of types of major
8234 business facilities that are eligible for the credit provided under this section include, but are not limited to, a
8235 headquarters, or portion of such a facility, where company employees are physically employed, and where the
8236 majority of the company's financial, personnel, legal or planning functions are handled either on a regional or
8237 national basis. A company primarily engaged in the Commonwealth in the business of manufacturing or

8238 mining; agriculture, forestry or fishing; transportation or communications; or a public utility subject to the
8239 corporation income tax shall be deemed to have established or expanded a major business facility in the
8240 Commonwealth if it meets the requirements of subdivision 1 during a single taxable year and such facilities
8241 are not retail establishments. A major business facility shall also include facilities that perform central
8242 management or administrative activities, whether operated as a separate trade or business, or as a separate
8243 support operation of another business. Central management or administrative activities include, but are not
8244 limited to, general management; accounting; computing; tabulating; purchasing; transportation or shipping;
8245 engineering and systems planning; advertising; technical sales and support operations; central administrative
8246 offices and warehouses; research, development and testing laboratories; computer-programming, data-
8247 processing and other computer-related services facilities; and legal, financial, insurance, and real estate
8248 services. The terms used in this subdivision to refer to various types of businesses shall have the same
8249 meanings as those terms are commonly defined in the Standard Industrial Classification Manual.

8250 D. For purposes of this section, the "credit year" is the first taxable year following the taxable year in
8251 which the major business facility commenced or expanded operations.

8252 E. The Department of Taxation shall make all determinations as to the classification of a major business
8253 facility in accordance with the provisions of this section.

8254 F. A "qualified full-time employee" means an employee filling a new, permanent full-time position in a
8255 major business facility in the Commonwealth. A "new, permanent full-time position" is a job of an indefinite
8256 duration, created by the company as a result of the establishment or expansion of a major business facility in
8257 the Commonwealth, requiring a minimum of 35 hours of an employee's time a week for the entire normal
8258 year of the company's operations, which "normal year" shall consist of at least 48 weeks, or a position of
8259 indefinite duration which requires a minimum of 35 hours of an employee's time a week for the portion of the
8260 taxable year in which the employee was initially hired for, or transferred to, the major business facility in the
8261 Commonwealth. Seasonal or temporary positions, or a job created when a job function is shifted from an
8262 existing location in the Commonwealth to the new major business facility and positions in building and
8263 grounds maintenance, security, and other such positions which are ancillary to the principal activities
8264 performed by the employees at a major business facility shall not qualify as new, permanent full-time
8265 positions.

8266 G. For any major business facility, the amount of credit earned pursuant to this section shall be equal to

8267 \$1,000 per qualified full-time employee, over the threshold amount, employed during the credit year. The
8268 credit shall be allowed ratably, with one-third of the credit amount allowed annually for three years beginning
8269 with the credit year. However, for taxable years beginning on or after January 1, 2009, one-half of the credit
8270 amount shall be allowed each year for two years. The portion of the \$1,000 credit earned with respect to any
8271 qualified full-time employee who is employed in the Commonwealth for less than 12 full months during the
8272 credit year will be determined by multiplying the credit amount by a fraction, the numerator of which is the
8273 number of full months that the qualified full-time employee worked for the major business facility in the
8274 Commonwealth during the credit year, and the denominator of which is 12. A separate credit year and a
8275 three-year allowance period shall exist for each distinct major business facility of a single taxpayer, except
8276 for credits allowed for taxable years beginning on or after January 1, 2009, when a two-year allowance period
8277 shall exist for each distinct major business facility of a single taxpayer.

8278 H. The amount of credit allowed pursuant to this section shall not exceed the tax imposed for such taxable
8279 year. Any credit not usable for the taxable year the credit was allowed may be, to the extent usable, carried
8280 over for the next 10 succeeding taxable years. No credit shall be carried back to a preceding taxable year. In
8281 the event that a taxpayer who is subject to the tax limitation imposed pursuant to this subsection is allowed
8282 another credit pursuant to any other section of the Code of Virginia, or has a credit carryover from a
8283 preceding taxable year, such taxpayer shall be considered to have first utilized any credit allowed which does
8284 not have a carryover provision, and then any credit which is carried forward from a preceding taxable year,
8285 prior to the utilization of any credit allowed pursuant to this section.

8286 I. No credit shall be earned pursuant to this section for any employee (i) for whom a credit under this
8287 section was previously earned by a related party as defined by Internal Revenue Code § 267(b) or a trade or
8288 business under common control as defined by Internal Revenue Code § 52(b); (ii) who was previously
8289 employed in the same job function in Virginia by a related party as defined by Internal Revenue Code §
8290 267(b) or a trade or business under common control as defined by Internal Revenue Code § 52(b); (iii) whose
8291 job function was previously performed at a different location in Virginia by an employee of the taxpayer, a
8292 related party as defined by Internal Revenue Code § 267(b), or a trade or business under common control as
8293 defined by Internal Revenue Code § 52(b); or (iv) whose job function previously qualified for a credit under
8294 this section at a different major business facility on behalf of the taxpayer, a related party as defined by
8295 Internal Revenue Code § 267(b), or a trade or business under common control as defined by Internal Revenue

8296 Code § 52(b).

8297 J. Subject to the provisions of subsections K or L, recapture of this credit, under the following
8298 circumstances, shall be accomplished by increasing the tax in any of the five years succeeding the taxable
8299 year in which a credit has been earned pursuant to this section if the number of qualified full-time employees
8300 decreases below the average number of qualified full-time employees employed during the credit year. Such
8301 tax increase amount shall be determined by (i) recomputing the credit which would have been earned for the
8302 original credit year using the decreased number of qualified full-time employees and (ii) subtracting such
8303 recomputed credit from the amount of credit previously earned. In the event that the average number of
8304 qualifying full-time employees employed at a major business facility falls below the threshold amount in any
8305 of the five taxable years succeeding the credit year, all credits earned with respect to such major business
8306 facility shall be recaptured. No credit amount will be recaptured more than once pursuant to this subsection.
8307 Any recapture pursuant to this section shall reduce credits earned but not yet allowed, and credits allowed but
8308 carried forward, before the taxpayer's tax liability may be increased.

8309 K. In the event that a major business facility is located in an economically distressed area or in an
8310 enterprise zone as defined in Chapter 49 (§ 59.1-538 et seq.) of Title 59.1 during a credit year, the threshold
8311 amount required to qualify for a credit pursuant to this section and to avoid full recapture shall be reduced
8312 from 50 to 25 for purposes of subdivision C 1 and subsection J. An area shall qualify as economically
8313 distressed if it is a city or county with an unemployment rate for the preceding year of at least 0.5 percent
8314 higher than the average statewide unemployment rate for such year. The Virginia Economic Development
8315 Partnership shall identify and publish a list of all economically distressed areas at least annually.

8316 L. For taxable years beginning on or after January 1, 2004, but before January 1, 2006, in the event that a
8317 major business facility is located in a severely economically distressed area, the threshold amount required to
8318 qualify for a credit pursuant to this section and to avoid full recapture shall be reduced from 100 to 25 for
8319 purposes of subdivision C 1 and subsection J. However, the total amount of credit allowable under this
8320 subsection shall not exceed \$100,000 in aggregate. An area shall qualify as severely economically distressed
8321 if it is a city or county with an unemployment rate for the preceding year of at least twice the average
8322 statewide unemployment rate for such year. The Virginia Economic Development Partnership shall identify
8323 and publish a list of all severely economically distressed areas at least annually.

8324 M. The Tax Commissioner shall promulgate regulations, in accordance with the Administrative Process

8325 Act (§ 2.2-4000 et seq.), relating to (i) the computation, carryover, and recapture of the credit provided under
8326 this section; (ii) defining criteria for (a) a major business facility, (b) qualifying full-time employees at such
8327 facility, and (c) economically distressed areas; and (iii) the computation, carryover, recapture, and redemption
8328 of the credit by affiliated companies pursuant to subsection S.

8329 N. The provisions of this section shall apply only in instances where an announcement of intent to
8330 establish or expand a major business facility is made on or after January 1, 1994. An announcement of intent
8331 to establish or expand a major business facility includes, but is not limited to, a press conference or extensive
8332 press coverage, providing information with respect to the impact of the project on the economy of the area
8333 where the major business facility is to be established or expanded and the Commonwealth as a whole.

8334 O. The credit allowed pursuant to this section shall be granted to the person who pays taxes for the
8335 qualified full-time employees pursuant to Chapter 5 (§ 60.2-500 et seq.) of Title 60.2.

8336 P. No person shall claim a credit allowed pursuant to this section and the credit allowed pursuant to §
8337 58.1-439.2. Any qualified business firm receiving an enterprise zone job creation grant under § 59.1-547 shall
8338 not be eligible to receive a major business facility job tax credit pursuant to this section for any job used to
8339 qualify for the enterprise zone job creation grant.

8340 Q. No person operating a business in the Commonwealth pursuant to Chapter ~~29.6~~ (§ ~~59.1-364~~ 29.5-600
8341 et seq.) of Title ~~59.4~~ 29.5 shall claim a credit pursuant to this section.

8342 R. Notwithstanding subsection O, a taxpayer may, for the purpose of determining the number of qualified
8343 full-time employees at a major business facility, include the employees of a contractor or a subcontractor if
8344 such employees are permanently assigned to the taxpayer's major business facility. If the taxpayer includes
8345 the employees of a contractor or subcontractor in its total of qualified full-time employees, it shall enter into a
8346 contractual agreement with the contractor or subcontractor prohibiting the contractor or subcontractor from
8347 also claiming these employees in order to receive a credit given under this section. The taxpayer shall provide
8348 evidence satisfactory to the Department of Taxation that it has entered into such a contract.

8349 S. For purposes of satisfying the criteria of subdivision C 1, two or more affiliated companies may elect to
8350 aggregate the number of jobs created for qualified full-time employees as the result of the establishment or
8351 expansion by the individual companies in order to qualify for the credit allowed pursuant to this section. For
8352 purposes of this subsection, "affiliated companies" means two or more companies related to each other such
8353 that (i) one company owns at least 80 percent of the voting power of the other or others or (ii) at least 80

8354 percent of the voting power of two or more companies is owned by the same interests.

8355 T. The General Assembly of Virginia finds that modern business infrastructure allows businesses to locate
8356 their administrative or manufacturing facilities with minimal regard to the location of markets or the
8357 transportation of raw materials and finished goods, and that the economic vitality of the Commonwealth
8358 would be enhanced if such facilities were established in Virginia. Accordingly, the provisions of this section
8359 targeting the credit to major business facilities and limiting the credit to those companies which establish a
8360 major business facility in Virginia are integral to the purpose of the credit earned pursuant to this section and
8361 shall not be deemed severable.

8362 U. For taxable years beginning on and after January 1, 2019, and notwithstanding the provisions of §
8363 58.1-3 or any other provision of law, the Department of Taxation, in consultation with the Virginia Economic
8364 Development Partnership, shall publish the following information by November 1 of each year for the
8365 12-month period ending on the preceding December 31:

- 8366 1. The location of sites used for major business facilities for which a credit was claimed;
- 8367 2. The North American Industry Classification System codes used for the major business facilities for
8368 which a credit was claimed;
- 8369 3. The number of qualified full time employees for whom a credit was claimed; and
- 8370 4. The total cost to the Commonwealth's general fund of the credits claimed.

8371 Such information shall be published by the Department, regardless of how few taxpayers claimed the tax
8372 credit, in a manner that prevents the identification of particular taxpayers, reports, returns, or items.

8373 **§ 58.1-460. Definitions.**

8374 For the purposes of this article:

8375 "Employee" includes an individual, whether a resident or a nonresident of the Commonwealth, who
8376 performs or performed any service in the Commonwealth for wages, or a resident of the Commonwealth who
8377 performs or performed any service in the service outside the Commonwealth for wages. The word
8378 "employee" also includes an officer, employee, or elected official of the United States, the Commonwealth,
8379 or any other state or any territory, or any political subdivision thereof, or the District of Columbia, or any
8380 agency or instrumentality of any one or more of the foregoing or an officer of a corporation. The term shall
8381 not include the beneficial owner of an individual retirement account (IRA) or simplified employee pension
8382 plan (SEPP).

8383 "Employer" means the Commonwealth, or any political subdivision thereof, the United States, or any
8384 agency or instrumentality of any one or more of the foregoing, or the person, whether a resident or a
8385 nonresident of the Commonwealth, for whom an individual performs or performed any service as an
8386 employee or from whom a person receives a prize in excess of \$5,001 pursuant to the Virginia Lottery Law
8387 (§ ~~58.1-4000~~ 29.5-700 et seq.), except that:

8388 1. If the person, governmental unit, or agency thereof, for whom the individual performs or performed the
8389 service does not have control of the payment of the wages for such services, the term "employer" (except as
8390 used in the definition of "wages" herein) means the person having control of the payment of such wages, and

8391 2. In the case of a person paying wages on behalf of a nonresident person not engaged in trade or business
8392 within the Commonwealth or on behalf of any governmental unit or agency thereof not located within the
8393 Commonwealth, the term, "employer" (except as used in the definition of "wages" herein) means such
8394 person. The term shall not include a financial institution, corporation, partnership or other person or entity
8395 with respect to benefits paid as custodian, trustee, or depository for an individual retirement account (IRA) or
8396 simplified employee pension plan (SEPP).

8397 "Miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly,
8398 monthly, quarterly, semiannual, or annual payroll period.

8399 "Payroll period" means a period for which a payment of wages is ordinarily made to the employee by his
8400 employer.

8401 "Wages" means wages as defined under § 3401 (a) of the Internal Revenue Code, as well as any other
8402 amounts from which federal income tax is withheld under the provisions of §§ 3402 and 3405 of the Internal
8403 Revenue Code and also includes all prizes in excess of \$5,001 paid by the Virginia Lottery; however, such
8404 term shall not include amounts paid pursuant to individual retirement plans and simplified employee pension
8405 plans as defined in §§ 7701 (a)(37) and 408 (c) of the Internal Revenue Code and shall not include
8406 remuneration paid for acting in or service as a member of the crew of a (i) motion picture feature film, (ii)
8407 television series or commercial, or (iii) promotional film filmed totally or partially in the Commonwealth by
8408 an individual or corporation which conducts business in the Commonwealth for less than 90 days of the tax
8409 year and when such film, series or commercial is processed, edited, and marketed outside the
8410 Commonwealth. Every such individual or corporation shall, immediately subsequent to the filming of such
8411 portion of the film, series or commercial filmed in the Commonwealth, file with the Commissioner on forms

8412 furnished the Department, a list of the names and social security account numbers of each actor or crew
8413 member who is a resident of the Commonwealth and is compensated by such individual or corporation.

8414 **§ 58.1-3510. Definition of merchants' capital.**

8415 A. Merchants' capital is defined as follows: Inventory of stock on hand; daily rental vehicles as defined in
8416 § 58.1-1735; and all other taxable personal property of any kind whatsoever, except money on hand and on
8417 deposit and except tangible personal property not offered for sale as merchandise, which tangible personal
8418 property shall be reported and assessed as such.

8419 B. For purposes of this section, a repair and service operation (i) carried on as an integral part of and in
8420 conjunction with a business that is primarily mercantile and (ii) the principal sales of such business are
8421 subject to the tax imposed by Article 9 (§ 58.1-1734 et seq.) of Chapter 17 or to the tax imposed by Chapter
8422 24 (§ 58.1-2400 et seq.) of this title shall be deemed a mercantile business, and all capital, as defined herein,
8423 including all repair parts, materials and supplies associated with such repair and service operation shall be
8424 deemed merchants' capital.

8425 C. For purposes of valuing lottery tickets as part of a dealer's inventory, cost shall include only the
8426 compensation payable to a licensed sales agent as provided by rules or regulations adopted by the Board
8427 consistent with the provisions of subdivision A 11 of subsection A of § ~~58.1-4007~~ 29.5-707. The value of
8428 lottery tickets shall not be based on the cost of the tickets to the merchant.

8429 **§ 58.1-3732.1. Limitation on gross receipts; pari-mutuel wagering.**

8430 Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) shall not include the license
8431 and admission taxes established under §§ ~~59.1-392 and 59.1-393~~ 29.5-633, 29.5-634, 29.5-635, 29.5-636, and
8432 29.5-638, respectively, nor shall it include pari-mutuel wagering pools as established under ~~Article 1-1~~
8433 Chapter 2 (§ ~~18.2-340.15~~ 29.5-200 et seq.) of Chapter 8 of Title ~~18.2~~ 29.5 or § ~~59.1-392~~ Article 5 (§ 29.5-633
8434 et seq.) of Chapter 6 of Title 29.5.

8435 **§ 59.1-542.1. Local incentives; motor sports facilities.**

8436 A. A locality that is home to a motor sports facility, as defined in § ~~58.1-4030~~ 29.5-400, in the
8437 Commonwealth may propose local incentives that address the economic conditions within such locality and
8438 will help stimulate real property improvements and new job creation. Such local incentives may include: (i)
8439 reduction of permit fees; (ii) reduction of user fees; (iii) reduction of business, professional, and occupational
8440 license taxes; or (iv) partial exemption from taxation of substantially rehabilitated real estate pursuant to §

8441 58.1-3221. The extent and duration of such incentives shall conform to the requirements of the Constitutions
8442 of Virginia and the United States. Local incentives may also include regulatory flexibility, including (a)
8443 special zoning districts, (b) permit process reform, (c) exemptions from local ordinances, or (d) other public
8444 incentives that are binding on the locality.

8445 B. A locality may establish eligibility criteria for local incentives that differ from the criteria required to
8446 qualify for the incentives provided by this chapter.

8447 **2. That §§ 2.2-2455 and 2.2-2456, Article 1.1:1 (§§ 18.2-340.15 through 18.2-340.37) of Chapter 8 of**
8448 **Title 18.2, Chapter 40 (§§ 58.1-4000 through 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through**
8449 **58.1-4141) of Title 58.1, Chapter 29 (§§ 59.1-364 through 59.1-405) of Title 59.1, and Chapter 51 (§§**
8450 **59.1-556 through 59.1-570) of Title 59.1 of the Code of Virginia are repealed.**

8451 **3. That there shall be established a Virginia Gaming Oversight Commission (the Oversight**
8452 **Commission), which shall consist of 10 members of the General Assembly. Members shall be appointed**
8453 **as follows: six members of the House of Delegates who are members of the House Committee on**
8454 **Appropriations, the House Committee for Courts of Justice, or the House Committee on General Laws**
8455 **to be appointed by the Speaker of the House of Delegates in accordance with the principles of**
8456 **proportional representation contained in the Rules of the House of Delegates and four members of the**
8457 **Senate who are members of the Senate Committee on Finance and Appropriations, the Senate**
8458 **Committee for Courts of Justice, or the Senate Committee on General Laws and Technology to be**
8459 **appointed by the Senate Committee on Rules. The Oversight Commission shall elect a chairman and**
8460 **vice-chairman from among its membership; however, the chairman and vice-chairman shall not both**
8461 **be members of the House of Delegates, nor shall both the chairman and vice-chairman be members of**
8462 **the Senate. No recommendation of the Oversight Commission shall be adopted if a majority of the**
8463 **House members or a majority of the Senate members appointed to the Oversight Commission (i) vote**
8464 **against the recommendation and (ii) vote for the recommendation to fail notwithstanding the majority**
8465 **vote of the Oversight Commission. The Oversight Commission shall exercise the function of overseeing**
8466 **the implementation of the provisions of this act and shall convene regularly in the exercise of that**
8467 **function. The Oversight Commission shall expire (a) on July 1, 2026, or (b) upon the appointment of all**
8468 **members to the Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of**
8469 **Virginia, as created by this act, and the appointment of a Commissioner to the Virginia Gaming**

8470 Commission pursuant to § 29.5-102 of the Code of Virginia, as created by this act, whichever occurs
8471 first. The provisions of this enactment shall become effective in due course.

8472 4. That the Virginia Gaming Oversight Commission created pursuant to the third enactment of this act
8473 shall report quarterly on its progress to the chairmen of the House Committees on Appropriations and
8474 General Laws and the Senate Committees on Finance and Appropriations and General Laws and
8475 Technology.

8476 5. That there shall be established a Legislative Transition Executive Committee (the Executive
8477 Committee), which shall consist of four members of the Virginia Gaming Oversight Commission, to be
8478 appointed as follows: two members from the House of Delegates and two members from the Senate to
8479 be appointed by the chairman of the Virginia Gaming Oversight Commission. The Executive
8480 Committee shall function as a work group of the Virginia Gaming Oversight Commission and shall
8481 meet more frequently than the full membership of the Virginia Gaming Oversight Commission for the
8482 purpose of making decisions based on the recommendations of the Virginia Gaming Oversight
8483 Commission and providing direction to the Virginia Lottery in its role as the project management
8484 organization overseeing the implementation of the provisions of this act.

8485 6. That the Virginia Lottery shall act as the project management organization to oversee and execute
8486 the work of the Virginia Gaming Oversight Commission and the Legislative Transition Executive
8487 Committee as such bodies exercise their duties and responsibilities pursuant to the third and fifth
8488 enactments of this act.

8489 7. That the initial terms of office of those persons appointed to serve as nonlegislative citizen members
8490 on the Virginia Gaming Commission Board pursuant to § 29.5-103 of the Code of Virginia, as created
8491 by this act, shall be staggered as follows: two persons shall be appointed for a term of five years; two
8492 persons shall be appointed for a term of four years; three persons shall be appointed for a term of
8493 three years; one person shall be appointed for a term of two years; and one person shall be appointed
8494 for a term of one year. Thereafter, nonlegislative citizen members of the Virginia Gaming Commission
8495 Board shall serve for terms of five years. The provisions of this enactment shall become effective in due
8496 course.

8497 8. That this act shall not be construed to affect existing appointments to the Charitable Gaming Board
8498 for the terms that have not expired. However, all new appointments to the Charitable Gaming

8499 **Advisory Board, established pursuant to § 29.5-201 of the Code of Virginia, as created by this act,**
8500 **made on or after July 1, 2025, shall be made in accordance with the provisions of this act.**

8501 **9. That this act shall not be construed to affect existing appointments to the Virginia Lottery Board for**
8502 **the terms that have not expired, with the exception of the member who is a law-enforcement officer**
8503 **and the member who is a certified public accountant authorized to practice in the Commonwealth,**
8504 **both appointed pursuant to Chapters 1197 and 1248 of the Acts of Assembly of 2020. However, all new**
8505 **appointments to the Virginia Lottery Board pursuant to § 29.5-704 of the Code of Virginia, as created**
8506 **by this act, made on or after the appointment of the nonlegislative citizen members of the Virginia**
8507 **Gaming Commission Board established pursuant to § 29.5-103 of the Code of Virginia, as created by**
8508 **this act, shall be made in accordance with the provisions of this act.**

8509 **10. That the Chief Operating Officer of the Virginia Gaming Commission (the Commission) shall also**
8510 **serve as the Chief Transition Officer of the Commission to lead and coordinate the efforts between**
8511 **relevant state agencies and the Commission with respect to transitioning the oversight and regulation**
8512 **of charitable gaming, casino gaming, sports betting, fantasy sports, and horse racing from such**
8513 **relevant agencies to the Commission. The duties of the Chief Operations Officer that are related to**
8514 **such transition shall expire upon the successful completion of the transition process.**

8515 **11. That the regulations of the (i) Department of Agriculture and Consumer Services promulgated**
8516 **pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia; (ii)**
8517 **Virginia Lottery Board promulgated pursuant to Article 2 (§ 58.1-4030 et seq.) of Chapter 40 and**
8518 **Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 of the Code of Virginia; and (iii) Virginia Racing**
8519 **Commission pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia, as**
8520 **repealed by this act, shall remain in full force and effect until the Virginia Gaming Commission Board**
8521 **promulgates regulations pursuant to this act. Regulations with respect to clause (i) shall be**
8522 **administered by the Department of Agriculture and Consumer Services and regulations with respect to**
8523 **clauses (ii) and (iii) shall be administered by the Virginia Lottery until the Virginia Gaming**
8524 **Commission Board promulgates regulations pursuant to this act. The provisions of this enactment shall**
8525 **become effective in due course.**

8526 **12. That during the interim period between July 1, 2025, and the formal establishment of the Virginia**
8527 **Gaming Commission (the Commission), established pursuant to § 29.5-101 of the Code of Virginia, as**

8528 created by this act, the Virginia Lottery shall be responsible for conducting all necessary business
8529 functions assigned to the Commission pursuant to this act. Formal establishment shall include
8530 appointment of the Commissioner of the Commission pursuant to § 29.5-102 of the Code of Virginia, as
8531 created by this act, and achievement of staffing levels adequate to allow the Commission to
8532 independently accomplish such business functions as determined by the Commissioner and the
8533 Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as
8534 created by this act.

8535 13. That in the event that ex officio membership on any board, commission, council, committee, or
8536 other body is affected by the provisions of this act, the Governor shall designate an appropriate
8537 successor officer, employee, or member of a board or agency established pursuant to the provisions of
8538 this act as a replacement.

8539 14. That the Governor may transfer an appropriation or any portion thereof within a state agency
8540 established, abolished, or otherwise affected by the provisions of this act, or from one such agency to
8541 another, to support the changes in organization or responsibility resulting from or required by the
8542 provisions of this act.

8543 15. That any accrued sick leave or annual leave of any employee of the Department of Agriculture and
8544 Consumer Services, the Virginia Lottery, or the Virginia Racing Commission who transfers to the
8545 Virginia Gaming Commission in accordance with the provisions of this act shall transfer with the
8546 employee.

8547 16. That the Virginia Gaming Commission Board (the Board) shall promulgate regulations to
8548 implement the provisions of this act by January 1, 2026; however the Board shall present such
8549 regulations to the Virginia Gaming Oversight Commission for review prior to adoption. With the
8550 exception of § 2.2-4031 of the Code of Virginia, neither the provisions of the Administrative Process
8551 Act (§ 2.2-4000 et seq. of the Code of Virginia) nor the public participation guidelines adopted
8552 pursuant thereto shall apply to the initial adoption of any regulations pursuant to this act. Prior to
8553 adopting any regulations pursuant to this act, the Board shall publish a notice of opportunity to
8554 comment in the Virginia Register of Regulations and post the action on the Virginia Regulatory Town
8555 Hall. Such notice of opportunity to comment shall contain (i) a summary of the proposed regulations;
8556 (ii) the text of the proposed regulations; and (iii) the name, address, email address, and telephone

8557 number of the agency contact person responsible for receiving public comments. Such notice shall be
8558 made at least 60 days in advance of the last date prescribed in such notice for the submittal of public
8559 comment. The legislative review provisions of subsections A and B of § 2.2-4014 of the Code of Virginia
8560 shall apply to the promulgation or final adoption process for regulations adopted pursuant to this act.
8561 The Board shall consider and keep on file all public comments received for any regulations adopted
8562 pursuant to this act. The provisions of this enactment shall become effective in due course.

8563 17. That employees of the Virginia Gaming Commission (the Commission) shall be considered
8564 employees of the Commonwealth. Employees of the Commission shall be eligible for membership in the
8565 Virginia Retirement System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of
8566 Chapter 1 of Title 51.1 of the Code of Virginia and participation in all health and related insurance and
8567 other benefits, including premium conversion and flexible benefits, available to state employees as
8568 provided by law. Employees of the Commission shall be employed on such terms and conditions as
8569 established by the Virginia Gaming Commission Board (the Board). The Board shall develop and
8570 adopt policies and procedures that afford its employees grievance rights, ensure that employment
8571 decisions are based upon the merit and fitness of applicants, and prohibit discrimination because of
8572 race, color, religion, ethnic or national origin, sex, pregnancy, childbirth or related medical conditions,
8573 age, marital status, sexual orientation, gender identity, or disability. Notwithstanding any other
8574 provision of law, the Board shall develop, implement, and administer a paid leave program, which may
8575 include annual, personal, and sick leave or any combination thereof. All other leave benefits shall be
8576 administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) of Title 51.1 of the Code of Virginia,
8577 except as otherwise provided in this enactment.

8578 18. That notwithstanding any other provision of law, the Virginia Gaming Commission (the
8579 Commission) shall give preference in hiring to employees of the Department of Agriculture and
8580 Consumer Services, the Virginia Lottery, and the Virginia Racing Commission (relevant state
8581 agencies). The Commission shall issue a written notice to all persons whose employment at such
8582 relevant state agencies will be transferred to the Commission. The date upon which such written notice
8583 is issued shall be referred to herein as the "Option Date." In order to facilitate an orderly and efficient
8584 transition and ensure the continuation of operations during the transition from the relevant state
8585 agencies to the Commission, the Commission shall have discretion, subject to the time limitations

8586 contained herein, to determine the date upon which any employee's employment with the relevant state
8587 agencies will end or be transferred to the Commission. This date shall be stated in the written notice
8588 and shall be referred to herein as the "Transition Date." No Transition Date shall occur prior to July
8589 1, 2025, without the mutual agreement of the employee and the Commission. No Transition Date shall
8590 be set beyond July 1, 2026. Each person whose employment will be transferred to the Commission may,
8591 by written request made within 120 days of the Option Date, elect not to become employed by the
8592 Commission. Any employee of the relevant state agencies who (i) is not offered the opportunity to
8593 transfer to employment by the Commission or (ii) is not offered a position with the Commission for
8594 which the employee is qualified or is offered a position that requires relocation or a reduction in salary
8595 shall be eligible for the severance benefits conferred by the provisions of the Workforce Transition Act
8596 (§ 2.2-3200 et seq. of the Code of Virginia). Any employee who accepts employment with the
8597 Commission shall not be considered to be involuntarily separated from state employment and shall not
8598 be eligible for the severance benefits conferred by the provisions of the Workforce Transition Act. Any
8599 eligibility for such severance benefits shall be contingent on the continued employment through an
8600 employee's Transition Date.

8601 Notwithstanding any other provision of law to the contrary, any person whose employment is
8602 transferred to the Commission as a result of this act and who is a member of any plan for providing
8603 health insurance coverage pursuant to Chapter 28 (§ 2.2-2800 et seq.) of Title 2.2 of the Code of
8604 Virginia shall continue to be a member of such health insurance plan under the same terms and
8605 conditions as if no transfer had occurred.

8606 Notwithstanding any other provision of law to the contrary, any person whose employment is
8607 transferred to the Commission as a result of this act and who is a member of the Virginia Retirement
8608 System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title
8609 51.1 of the Code of Virginia shall continue to be a member of the Virginia Retirement System or other
8610 such authorized retirement plan under the same terms and conditions as if no transfer had occurred.

8611 Notwithstanding any other provision of law, any person whose employment is transferred to the
8612 Commission as a result of this act and who was subjected to a criminal history background check as a
8613 condition of employment with any of the relevant state agencies shall not be subject to any provisions
8614 of this act regarding a criminal history background check, unless the Commission deems otherwise.

8615 **19. That the Virginia Gaming Commission (the Commission) shall conduct a review of all technology**
8616 **systems inherited from the Department of Agriculture and Consumer Services, the Virginia Lottery,**
8617 **and the Virginia Racing Commission for the purpose of increasing efficiency in core functions through**
8618 **the reduction of manual processes and standardizing similar processes, such as licensing, auditing, and**
8619 **case management, across the different types of gaming that are overseen and regulated by the**
8620 **Commission.**

8621 **20. That the provisions of this act may result in a net increase in periods of imprisonment or**
8622 **commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary**
8623 **appropriation is _____ for periods of imprisonment in state adult correctional facilities; therefore,**
8624 **Chapter 2 of the Acts of Assembly of 2024, Special Session I, requires the Virginia Criminal Sentencing**
8625 **Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the Code of**
8626 **Virginia, the estimated amount of the necessary appropriation is _____ for periods of commitment to**
8627 **the custody of the Department of Juvenile Justice.**